

IOWA FISH AND GAME PROTECTION FUND

REPORT FOR FISCAL YEAR 2011



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PREPARED BY

DNR IOWA
DEPARTMENT OF NATURAL RESOURCES

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EXECUTIVE SUMMARY

Fish and Game Protection Fund (Trust Fund) – Creation and Purpose

The Department of Natural Resources Fish and Game Protection Fund (Trust Fund) is a special account first established in Iowa in 1937 to manage and regulate Iowa's wildlife and fishery resources. In 1996, an amendment to the Iowa Constitution was passed to protect the Trust Fund from being diverted (or "swept") for other purposes during difficult state economic times. This amendment stipulates that fee-generated revenue and associated federal funds can only be used for the purposes of promoting, managing, researching, and regulating hunting, fishing, and trapping in Iowa. The Trust Fund is comprised of all fees from hunting, angling and trapping licenses and from the sale of mandated fees. These state license fees, paid by outdoor recreationists, provide matching funds for federal excise tax receipts from nationwide hunting and angling equipment sales. These federal funds are administered to the states by the US Fish and Wildlife Service and are closely audited for appropriate use.

Trust Fund Bureaus

The management and regulation of Iowa's wildlife and fishery resources are accomplished by three bureaus: Wildlife, Fisheries, and Law Enforcement, under the Conservation and Recreation Division management. These three bureaus, combined, manage 324.5 full-time employees and 60.68 full-time equivalent seasonal employees.

The Fisheries Bureau manages 8 hatcheries, 200 lakes, 19,000 miles of interior rivers, 200,000 acres of the bordering rivers and 78 trout streams, and establishes fishing opportunities for Iowans across the state. The bureau's work includes a broad range of water quality improvement projects, research, aquatic education, and fish stocking. The economic benefits to Iowa include \$362,000,000 annually spent on fishing in Iowa and 7,100 jobs created from fishing in Iowa. One third of Iowans collectively spend 7.4 million days fishing each year.

The Wildlife Bureau is responsible for the management of Iowa's abundant wildlife resources, and oversees 463 public wildlife areas, 724 control structures, 237 miles of levees and dikes, 313 boat ramps, 1,317 parking lots, and 9 shooting ranges. Professional wildlife staff performs surveys, census, and research studies that produce data and provide for science-based management and policy decisions. The economic benefits to Iowa from wildlife management include \$443,000,000 per year spent on hunting in Iowa by 250,000 hunters. The 1,022,000 wildlife watchers in Iowa spend \$342,000,000 per year. On average, hunters collectively spend 4,000,000 days on their sport each year and wildlife watchers collectively spend a further 6,400,000 days.

The Law Enforcement Bureau ensures that Iowa's fish, game, and public natural area laws are followed, which have a direct effect on the health of Iowa's natural resources. Officers have diverse duties in addition to enforcement, including public education, public relations, inspections, and outreach. Conservation Officers have the complex job of balancing public relations with the conservation of Iowa's natural resources by providing fish and game law enforcement; boating and other recreational activity enforcement; recreational programs related to boating, shooting sports, and hunter safety; inspections for taxidermists, scientific collectors, bait dealers, fur buyers, boat docks, and recreation trails and parks. They are also an important resource for public relations and education through articles, radio and television programs, and civic group presentations.

Public Lands

The state purchases specific types of land on behalf of the citizens of Iowa to manage and protect natural resources and to provide public recreational opportunities. Across Iowa, wetlands, forests, scenic areas, prairies, wildlife and fish habitat, access easements to trout streams, rare species habitat, and other resources are being protected and managed. Owners of Iowa land who want to secure the protection or use of the natural resources voluntarily donate land, participate in the easement program, or sell acres for that purpose. The DNR 1) only negotiates with willing landowners, 2) does not condemn land, and 3) has a policy of paying appraised value for easements and acquisitions. There are specific funding sources within the Trust Fund that are designated by law for land purchases only. The department does not use General Funds for land acquisitions or conservation easements.

Currently, over 91% of the state is in private ownership. Iowa ranks in the bottom five of all states in terms of the amount of public lands devoted to fish and wildlife oriented recreation. As a result, public wildlife lands in Iowa receive substantial user pressure, particularly during the first weeks of open hunting seasons, on weekends, and during holidays. Of the 35,756,390 total acres of Iowa's land, publicly owned acres managed by the department total 485,774, which include wildlife areas funded by Trust Fund dollars, and state forests, parks and preserves funded by non-Trust Fund dollars. Of those acres managed by the DNR, over 140,996 acres are owned by another public agency, mainly the US Fish and Wildlife Service or the US Army Corps of Engineers.

Recreation on natural areas is a significant economic anchor in Iowa. Hunters, anglers, and wildlife watchers spent \$974 million in retail sales in Iowa in 2006. Visits to Iowa's state and county lakes, parks, and trails translates to 50 million visits, supporting 27,400 jobs, and generating statewide spending of \$2.63 billion (Economic Value of Iowa's Natural Resources, ISU, Center for Agriculture and Rural Development, Dec 2007 <http://www.card.iastate.edu/environment/items/dnr-amenity.pdf>).

Agricultural Leases

Maintaining a portion of public lands in agricultural production is a cost effective and efficient way of achieving wildlife habitat goals and objectives. Most of Iowa's native wildlife species have adapted to agriculture and are now dependent upon agricultural crops for food and cover at some point during their life cycle (i.e. deer, pheasant, quail, meadowlark, songbirds, and several furbearers).

Of the approximately 356,752 acres of wildlife areas, the Wildlife Bureau manages around 10% as leased agricultural land. Of those leased acres, about 10% is left unharvested for wildlife management purposes (i.e. food plots). The other acres are managed for habitat.

Wildlife habitat management goals for these agricultural lands differ by area, but generally include: 1) the provision of food, winter cover, and nesting cover, 2) the control of natural succession and annual weeds, 3) lure crops to help reduce wildlife depredation on adjacent private lands, 4) soil preparation for permanent seedings, 5) attracting wildlife to public hunting areas for improved hunting opportunity, 6) demonstrating successful wildlife management on farmed lands to private producers, and 7) providing limited farming opportunities for area producers.

Revenue

Trust Fund revenue is derived from the following sources:

- General Hunting and Fishing License Fees
- Wildlife Habitat Fee
- State Migratory Game Bird Fee (aka Duck Stamp)
- Trout Stamp
- Nongame Check-off
- Pittman-Robertson Wildlife Restoration Federal Aid (PR)
- Dingell-Johnson Fisheries Federal Aid (DJ)
- Hunter Safety Federal Aid
- Agricultural Lease
- Boat Registration Fee
- Small Miscellaneous Sources of Income



Total Trust Fund revenue for FY 11 was \$49,618,486. (Note this figure does not include the FY10 balance forward, as it is not considered revenue.)

Budget and Planning

Both short term and long term planning must occur so the Trust Fund remains solvent and sustainable over time. Licenses and fee sales only occur at certain times of the year, and sales are weather dependent. Federal funds are received quarterly and, in some instances, must be processed as reimbursements for projects that the Trust Fund "carried" for a period of time. Boat registration fees are received in a three year cycle and the department must average the three years of revenue to meet annual expenses and provide the services as outlined in Iowa Code. Unlike other bureaus funded with state General Funds, the Trust Fund must absorb expenses for automatic salary increases negotiated by the unions, costs of retirement benefits, and insurance payout programs for Trust Fund staff. It takes approximately \$3,000,000 per month to "cash flow" operations and projects for the three Trust Fund bureaus. The Trust Fund budget must be carefully planned so there is a minimum of \$3,000,000 per month throughout the entire year, despite the fluctuating revenue into the Trust Fund during that year.

An annual **balance forward** establishes a method to pay ongoing expenses when, throughout the year, each month does not provide a stable income. Another critical factor affecting the need for a balance forward is that, over time, the Trust Fund is subject to the "Law of Diminishing Returns." This occurs when certain revenue sources remain the same while the cost of doing business increases with inflation. License fees are set by the Iowa legislature and, historically, have been increased on average between 7 to 11 years. When fees have been increased, the increase does not account for inflation over the previous years or for subsequent years, and the cost of doing business surpasses the revenue source. At a minimum, sound business principles suggest the Trust Fund should have a balance forward amount equaling at least one month's worth of operation costs, or \$3,000,000. Long-term planning may dictate that the balance forward should be higher to span the years between revenue increases.

Operations include all the expenses expected for day-to-day activities such as: salaries and benefits, annual salary cost of living increases, supplies, vehicles, overhead costs (such as department support services, office space, phones, and internet access), equipment (ranging from computers to tractors and heavy-duty mowers), and travel expenses.

Capitals include infrastructure projects such as dikes, levees, roads, buildings; land protection easements and acquisitions; FEMA repair projects; public shooting ranges; minor repairs or small projects. The capitals budget also includes unpredictable, one-time expenses for tracking purposes.

Before the Trust Fund bureaus begin building their operations and capitals budgets for the year, a comprehensive analysis of the previous year must be made by the division management team and bureau chiefs, and a five-year model based on reliable projections is developed.

Trends, Challenges, and Needs

Iowa's citizens are passionate about natural resource based recreational opportunities. Pressure is growing on the Trust Fund and the limited public lands for all kinds of recreation, including ATV and snowmobile trails, water trails for kayakers and canoeists, and wildlife watching events. At the same time, Iowa and the nation have been experiencing a decline in hunting and, to a lesser extent, angling license sales over the last 15 years. These license sales are the bread and butter of the Trust Fund revenue. The DNR is working hard to improve education, mentoring, and marketing in an effort to reverse the downward trend and address changing demands.

Trust Fund revenue is also affected by weather and natural disasters. Vulnerable species, such as pheasant, have seen a decline in population due to harsh winters and flooding, which causes a decline in hunting license sales. Angling license sales decrease during floods.

The fact that license fees are not adjusted for cost of living increases makes the management of the Trust Fund difficult. The legislature determines license fees and, historically, they have been raised every 7-11 years only after lengthy and contentious debate. Over those 7-11 years, employee salaries, price of gas and equipment, cost of land -- in short, the cost of doing business -- increases. As workloads increase, the dollars to do this work decreases.

Take all the challenges above and include the variable schedules of when revenue is received (such as the Boat Registration Fees on a three-year cycle or hunting license sales at certain times of the year), and it equals a very volatile fund over time. For instance, a \$17,000,000 balance forward in one year does not mean there will not be a negative balance forward four years later, even without an increase in spending for basic programs or capitals.

The DNR works closely with its constituent groups to determine Iowans' priorities and interests in how the Trust Fund is spent. For instance, even though hunting participation has declined over the years, it has become apparent that hunting lands access is an issue. The department received a grant to develop a pilot private lands public hunting access program in FY 11 and FY 12. This program is underway with 14 sites signed up.



TRUST FUND – INTRODUCTION

Trust Fund Creation and Purpose

The Department of Natural Resources Fish and Game Protection Fund (Trust Fund) is a special account first established in Iowa in 1937 to manage and regulate Iowa's wildlife and fishery resources. The Trust Fund is comprised of all fees from hunting, angling, and trapping licenses and from the sale of habitat fees. These state license fees, paid by outdoor recreationists, provide matching funds for federal excise tax receipts from nationwide hunting and angling equipment sales. These federal funds are administered to the states by the US Fish and Wildlife Service through its formula-based federal aid programs (Pittman-Robertson and Dingell-Johnson) and deposited into the Trust Fund. This federal aid averages an approximate \$9 million, annually. By federal and state law, the license fees and associated federal funds must be used for identified hunting and angling purposes, and are closely audited for appropriate use internally by the Department of Natural Resources (DNR), the state of Iowa, the US Fish and Wildlife Service and the federal Office of the Inspector General.

In 1996, an amendment to the Iowa Constitution was passed to protect the Trust Fund from being diverted (or "swept") for other purposes during difficult state economic times. This amendment stipulates that the hunting, angling, and trapping license and associated fees and associated federal funds can only be used for the purposes of promoting, managing, researching, and regulating hunting and fishing in Iowa. The amendment was passed by 88% of the voters, illustrating the strong support outdoor advocates have for recreation related to hunting and fishing.

Along with licenses and mandated fees, Trust Fund revenue includes millions of dollars of federal grant funds for specific purposes, land management income, donations, and other miscellaneous sources of income. The Trust Fund also houses Boat Registration Fees, which are dedicated to boating recreation, navigational safety, and aquatic invasive species control as outlined in Iowa Code.

Operational Units (Bureaus and Management)

The management and regulation of Iowa's wildlife and fishery resources are mainly accomplished by three bureaus: Wildlife, Fisheries, and Law Enforcement, under the Conservation and Recreation Division. State general funds are not appropriated to these bureaus. (However, in 2009, the legislature allocated a one-time general fund budget supplement to the Trust Fund after extreme weather and flooding conditions caused extraordinary damage to state managed lands and reductions in license sales, which put the health of the Trust Fund at risk.)

The Conservation and Recreation Division (CRD) provides the **management** for the Trust Fund. The division's six bureaus, Fisheries, Wildlife, Law Enforcement, Parks, Forestry, and Land and Waters, operates with 639.35 employees, which includes both full time and seasonal employees. The CRD manages all the public recreation lands and waters, including hundreds of millions of dollars worth of infrastructure across the state. The total budget for the division, including operations and capitals, is over \$120,000,000 of which less than \$8,000,000 is General Fund.

Iowa Code 456A.17 that creates the Trust Fund mandates that the cost of CRD administration should come proportionally from the Trust Fund and from the Conservation Fund, which supports the Land and Waters, Parks, and Forestry bureaus.

The CRD management staff has a large variety of responsibilities and consists of a Division Administrator, Deputy Division Administrator, two executive officers in charge of specific division management and program areas, a program planner in charge of key division-wide programs, and a secretary that provides administrative support to the division bureau chiefs.

The **Fisheries Bureau** manages 8 hatcheries, 200 lakes, 19,000 miles of interior rivers, 200,000 border river acres, and 78 trout streams, and establishes fishing opportunities for Iowans across the state. The bureau work includes a broad range of water quality improvement projects, research, aquatic education, and fish stocking.

The fish hatcheries are vital to Iowa's reputation as a great place to fish, from private farm ponds to the trout streams in northeast Iowa, to Okoboji and the Great Lakes area. Last year, hatcheries provided 133,000,000 quality, species-appropriate fish to 300 public rivers, streams, and lakes across Iowa. In recent years, the Fisheries Bureau has had great success in providing and promoting urban fishing opportunities. Trout fishing at Summerset State Park, on the campus of Des Moines Area Community College, and in Davenport with fish stocked from the hatcheries has proved extremely popular and has connected more people to the outdoors and fishing.

The Iowa specific research the bureau provides has resulted in the well-known outstanding fishing opportunities across Iowa. This includes the walleye and muskellunge fisheries that draw anglers from all over, pan fish opportunities across the state, and trout fishing successes in Iowa's coldwater streams. Research has led to the protection of important species such as the sturgeon and paddlefish. A significant portion of Fisheries' work includes watershed improvement for our rivers, streams, and lakes which has played a large role in identifying and solving water quality issues.

The economic benefits of a good fishery to Iowa include \$362,000,000 annually spent on fishing in Iowa and 7,100 jobs created from fishing in Iowa. A common way of determining economic benefits is by tabulating how many days an identifiable number of participants are engaged in their activity of choice. Studies show that one third of Iowans collectively spend 7.4 million days fishing each year.

The **Wildlife Bureau** is responsible for the management of Iowa's wildlife resources. The bureau houses a wide array of programs and activities that promote habitat protection and the development of public and private lands. Staff provide assistance to individuals interested in wildlife habitat development, and public lands are developed and managed to protect natural resources, create habitat, and provide viable wildlife populations that support recreational hunting and viewing. Regulations are established to protect Iowa's wildlife populations and provide wildlife based recreational opportunities.

Wildlife staff manages 463 public areas, 307 boat ramps, and 9 shooting ranges. In addition, it manages the Prairie Seed Program in partnership with the Iowa Department of Corrections to provide native plantings on public property.

The DNR realizes that over 91% of Iowa is privately owned, and recognizes the need to work with private landowners to sustain healthy wildlife habitat in Iowa. The Private Lands Program offers technical assistance to private landowners by providing information for their habitat restoration decisions and how to acquire federal funding. Private landowners have taken advantage of this assistance and have improved private wildlife habitat on over 230,000 acres, including over 79,000 acres of wetland development, and nearly 17,000 acres of conservation improvements such as buffer strips along rivers and streams.

The Wildlife Bureau's work also includes research of wildlife populations with the goal of better management, and administers restoration efforts for game (pheasant, grouse) and non-game species. One of the many restoration success stories is the reintroduction of the wild turkey in Iowa. The Wildlife Diversity section oversees nongame species, and helps reintroduce species such as the osprey and peregrine falcons. This section also provides expertise for nongame management on public lands. A large component of all Wildlife Bureau activities includes public education.

The economic benefits to Iowa from a healthy wildlife resource include \$443,000,000 per year spent on hunting in Iowa by 250,000 hunters. The 1,022,000 wildlife watchers in Iowa spend \$342,000,000 per year. On Average, hunters collectively spend 4,000,000 days on their sport each year and wildlife watchers spend a further 6,400,000 collective days.

The **Law Enforcement Bureau** provides the Conservation Officers for fish and game law enforcement, public safety, and public education. The bureau's role is to ensure that Iowa's fish, game, and public natural area laws are followed. These laws have a direct effect on the health of Iowa's natural resources. As part of their enforcement duties, officers inspect taxidermists, scientific collectors, bait dealers, fur buyers, inspect and enforce public land construction permits, and identify encroachments on public lands.

In addition to specific DNR training, such as waterfowl identification and wildlife forensics, Conservation Officers are fully trained certified peace officers who also provide back-up support in local communities when needed.

Officers also provide education opportunities for outdoor recreational activities like shooting sports, hunter safety courses, mentored youth hunts, Outdoor Journey for Girls and many other public programs.



Boat registration fees support officers' time dedicated toward the regulation of navigation and recreation safety, aquatic invasive species control, and recreational boating education. Boat registration fees are deposited into the Trust Fund, and are carefully tracked through activity codes that detail how employee time is used. These fees have a specific purpose outlined in Iowa Code. The Law Enforcement Bureau also manages boat dock regulations, which are funded from the fees collected through this program.

In Iowa, All Terrain Vehicles (ATVs) and snowmobiles are required to register if they are used on public lands or trails. These registration fees are placed in a separate fund, but a percentage of Law Enforcement Bureau staff time is dedicated to ATV/Snowmobile safety and regulation, and these activities are paid for with these non-Trust Fund registration fees by transferring the appropriate amount into the Trust Fund.

DNR Conservation Officers fill an important public relations role, meeting and communicating to the public through license checks, response to calls, articles, radio and television programs, civic group presentations, and educational programs. This contact helps build important and necessary local relationships across the state.

TRUST FUND – OPERATIONAL UNITS

The Trust Fund's four operational units are comprised of 3 bureaus (Fisheries, Wildlife, and Law Enforcement), and the Trust Fund management team.

DIVISION MANAGEMENT

The **Conservation and Recreation Division (CRD)** includes six bureaus (Fisheries, Wildlife, Law Enforcement, Parks, Forestry, Land and Waters) and operates with 639.35 employees which include both full time and seasonal employees. The CRD manages all state-owned recreation lands and waters, including hundreds of millions of dollars worth of infrastructure across the state. The total budget for the division, including operations and capitals, is over \$120,000,000, of which less than \$8 million is General Fund.

Because of the diversity of the bureaus in CRD, Iowa Code 456A.17 mandates that the cost of CRD management staff should come proportionally from the Trust Fund and from the Conservation Fund. The Conservation Fund includes Parks and Forestry revenue, and supports the non-Trust Fund bureaus of Parks, Forestry, and Land and Waters.

The Conservation and Recreation Division Administrator (DA) is one of three positions appointed by the DNR Director and is a key member of the Director's executive management team along with the Deputy Director, the DA of Environmental Services Division, the DA of the Management Services Division, the Chief Fiscal Officer, and the Chief Legal Counsel. This team essentially manages the Department of 1,000+ employees with a budget of \$215,000,000.

The CRD DA leads the CRD executive management team in setting the policies, budgets, and vision for the entire division, and ensures the collective bureaus are working together to optimize the resources each brings to the table. The DA also serves as staff lead for the Director in support of the Natural Resource Commission. The CRD DA position is highly visible and is called upon to represent the CRD and the DNR at public meetings and stakeholder events, to the press, nationally, and in the state's political arena. The CRD DA is a lynch pin of the division in terms of making sure the work, mission, vision, and needs are clearly articulated at all levels, internally and publicly.

The six division bureau chiefs report directly to the DA, as well as the Deputy Division Administrator, two executive officers who manage specific division-wide programs and duties, a program planner who handles specific program responsibilities, and a secretary who supports the CRD bureau chiefs. The six chiefs work collaboratively on many issues, and comprise the CRD executive management team with the Division Administrator (DA) and the Deputy Division Administrator. The DA leads this team that is ultimately responsible for the operations of the CRD across the state, whether staff are in state park campgrounds, performing field work during hunting season, water patrolling during the summer boating season, participating in eagle watch days or peregrine releases, in Iowa's forest resources, or in the popular fish hatcheries.

The Deputy Division Administrator fulfills all functions in the absence of the DA at the direction of the DA, including lead support for the Natural Resource Commission meetings, representing the division at executive management meetings, approving contracts and correspondence, and providing leadership internally and publicly. This position also has the key duties of serving as legislative liaison for the CRD; facilitating weekly division management meetings with the bureau chiefs; developing legislative and internal policy and budget proposals; ensuring that strategic planning, staffing planning and accountability reporting requirements are

met; assisting with personnel issues; and management oversight for the \$55,000,000 division operations budget and the \$50-70,000,000 capitals budget.

The Executive Officer 2 position serves as the general projects manager for the division's capital budget and is responsible for tracking the division's projects each year; and serves as the department's educational interpretation program manager, including developing the programs, training seasonal staff, and working with permanent staff in all six bureaus to improve and increase programs and effective public outreach. This position also coordinates special events and meetings, and prepares reports and plans as assigned.

The Executive Officer 1 position serves as executive assistant to the DA and Deputy DA, ensuring the DA and Deputy DA are prepared for meetings, presentations, and other proceedings; processes public inquiries and complaints; is responsible for division personnel issues including coordinating staffing plans, analyzing training needs, tracking employee hiring when vacancies arise, and assisting the DA in completing evaluations in a timely manner. This position also serves as division point person for Natural Resource Commission requests and needs; assists with budget related inquiries; manages the department's donation program; represents the division in technology issues, contract management, departmental meetings, and process improvement; and prepares and assists with reports as assigned.

The Program Planner 3 position assists in managing the Resource Enhancement and Protection (REAP) program; manages the Help Us Stop Hunger (HUSH) program and the Iowa Nature Store; provides special event planning; researches grants; and prepares reports and provides tracking of funds as assigned.

The Secretary 2 position provides support to the CRD bureau chiefs in the division, including taking meeting minutes when assigned; preparing invoices and vouchers; helping orient new employees; serving on departmental committees when assigned; providing administrative support for granting programs; and other support duties as assigned.

Two positions housed under other bureaus, but paid out of Trust Fund dollars, include an attorney from the Legal Bureau assigned to address Trust Fund issues including violations, contract issues, rules and legislative language, and other legal matters; an information specialist from the Communications Bureau who handles hunting and angling publications, press releases, displays, fishing reports, and other communications responsibilities related to the Trust Fund.



Division Management – FTEs and Position Descriptions

(FTE = full time equivalent position)

FTE Allocation	Position Title	Position Description
1	Public Service Executive 5 (Division Administrator)	Manages the CRD; represents a major part of the agency's total operations; part of Director's Executive Management Team
1	Executive Officer 4 (Deputy Division Administrator)	Fulfills duties of DA when assigned; leads development of policy and budget and oversees both, and serves as legislative liaison
1	Executive Officer 2	Tracks and manages capitals projects and budgets; in charge of environmental education and outreach programs
1	Executive Officer 1	Executive assistant to DA and Deputy DA; division point person for committees, plans, and personnel issues
1	Program Planner 3	Coordinator for HUSH, Nature Store, special events; assists with REAP
1	Secretary 2	Performs administrative support duties for the division bureau chiefs; performs other division-wide duties as assigned
1*	Attorney 2 *FTE accounted for in Legal Bureau	<i>Performs legal duties related to Trust Fund issues such as violations, contracts, rules and legislation.</i>
1*	Info Tech Specialist 2 *FTE accounted for in Communications Bureau	<i>Manages and prepares Trust Fund related publications such as hunting and fishing regulation books, press releases, and displays.</i>
6	TOTAL DIVISION MGMNT FTES	

The CRD Management budget funds division-wide expenses such as membership fees for national professional organizations linked to federal funding, SLIP related retirement funding for all Trust Fund bureau employees, and temporary partner and contract employees. Most of the national programs and contracts are related to Trust Fund bureaus.

Division Management – Revenue and Expenditures

Conservation and Recreation Division (management) FY11 – Revenue and Expenditures

REVENUE

Conservation Fund	\$266,770
Trust Fund Allocation	\$1,059,067
TOTAL REVENUE	\$1,325,837

EXPENDITURES

Personal Services (staff)	\$547,463
Trust Fund Retirees Premiums– SLIP	430,419
Travel	\$5,088
Office and General Supplies (office supplies, organization dues, facility/equip maintenance, uniforms)	\$49,888
Print & Binding (publications)	\$2,417
Communications (i.e. telephones)	\$5,775
Professional Services (i.e. surveys, division medical services)	\$33,401
Outside Services (i.e. temporary or contract employees, partnerships)	\$61,107
Reimbursement to Other Agency (ie. training, health insurance)	\$389
ITD Services Reimbursement	\$562
IT Hardware	\$5,085
Other Expenses (i.e. retirement related)	\$38,539
Indirects (general overhead costs; i.e. DAS billing, Worker's Comp, IT services, Auditor's Ofc, departmental support staff, general postage)	\$81,572
Indirects (related to SLIP Retirements)	\$64,132
TOTAL EXPENDITURES (includes Conservation Fund Personnel Expenditures)	\$1,325,837
TOTAL TRUST FUND EXPENDITURES	\$1,059,067

FISHERIES BUREAU

The Fisheries Bureau manages 8 hatcheries, 200 lakes, 19,000 miles of interior rivers, 200,000 border river acres, and 78 trout streams, and establishes fishing opportunities for Iowans across the state. The bureau's work includes a broad range of water quality improvement projects, research, aquatic education, and fish stocking.

The economic benefits to Iowa include \$362,000,000 annually spent on fishing in Iowa and 7,100 jobs created from fishing in Iowa. One third of Iowans collectively spend 7.4 million days fishing each year.

There are four main program areas in Fisheries: Fish Culture (hatcheries), Fisheries Management and Research, Aquatic Invasive Species, and Aquatic Education.

Fish Culture

The Fish Culture Section is responsible for the production, acquisition, and distribution of a variety of fish species requested by the Management and Research Sections of the Fisheries Bureau. Fish culture is defined as the artificial breeding and rearing of fish. Fish hatcheries primarily release young (juvenile) fish into the wild for recreational fishing and to supplement a species' natural numbers. The Iowa DNR Fisheries Bureau operates eight fish hatcheries in the state; all of the facilities are open for public tours. Aquacultural research is done at a number of these facilities.

Specific research projects include: Best Management Practices for Channel Catfish Culture; Better Diets and Culture Environments to Increase Hatchery Production of Walleye; Feeding Walleye; Finding Better Feeds and Better Environments for Walleye; Increasing Production of Wild Brown Trout; Intensive Culture of Walleye Fry; Oxygen Injection Systems; Production of Walleye; Raising Fish; and Walleye Egg Fertility.

Spirit Lake Fish Hatchery

The first fish hatchery at Spirit Lake was established in 1880. Changes since that time include a replacement hatchery building which was constructed in 1915 and was enlarged in 1927. This building was used until 1963 when it was replaced by the current facility. The only major structural change since 1963 is the enlargement of the tank room for the intensive rearing of walleye and muskellunge. Each year the Iowa Department of Natural Resources welcomes between 40,000 and 60,000 visitors to the Spirit Lake Hatchery.



The Spirit Lake Hatchery is a cool water station located in Dickinson County. The facility collects, spawns, incubates, and raises walleye for use throughout the state. Each year between 60 and 70 million walleye fry are hatched at this facility. These fish may be stocked as two-day-old fry, transferred to other hatcheries, or stocked in natural lakes in the Spirit Lake area where they are collected using large seines. At that point these fish are usually five- to eight-inches long. Muskellunge and northern pike are, also, produced at this location. This facility serves as the sole source of Iowa's muskellunge. The fish are raised to ten inches before being transferred to Rathbun Hatchery where they are overwintered and stocked throughout the state as yearlings in the spring.

Rathbun Fish Hatchery

Rathbun Fish Hatchery is a warm/cool water hatchery located in Appanoose County. It is capable of both intensive and extensive fish culture. The hatchery is situated on 375 acres of land, leased from the Army Corps of Engineers, directly below the Rathbun Lake dam.

The primary species raised at the Rathbun Fish Hatchery are walleye, channel catfish, and muskellunge. The facility has the ability to raise a number of species to large fingerlings for use in fisheries management applications or for research purposes. Fish produced at this facility are stocked statewide in Iowa farm ponds, rivers, and more than 250 lakes and reservoirs. Annually, up to 150,000 large fingerling catfish (7-8"), 50 million walleye fry, 450,000 small walleye fingerlings (2"), 200,000 advanced walleye fingerlings (8-10"), and 5,000 fingerling muskellunge (10") are produced at Rathbun. In addition, up to 50,000 four- to six-inch catfish are provided for county conservation boards and cities each year for their caged-catfish rearing programs.



The Rathbun walleye culture program is a one-of-a-kind program in the United States. Through focused research and continual improvement, impediments have been overcome and walleye culture can now be considered an efficient process. Iowa's walleye culture program is unique and progressive in that it can boast 8-10" walleyes which are produced in one growing season on pelleted diets. The expertise of the staff is often sought for the knowledge about intensive walleye culture.

Fairport Fish Hatchery

The Fairport Fish Hatchery is located in Muscatine County along the scenic upper Mississippi River valley. The land where the hatchery is located was donated to the federal government by the Association of Button Manufacturers and was established as a biological station by Congress in 1908. The station was set up for freshwater mussel research and propagation, which was of economic importance to the region at the time. In 1929 the station became a federal fish hatchery and, in 1973, the operation was transferred to the Department of Natural Resources as an opportunity to add, without cost to Iowa anglers, another hatchery to the system.



The Fairport Fish Hatchery has eighteen ponds to hatch and rear warm-water angling favorites such as largemouth bass, bluegill, saugeye, and walleye. In addition, the hatchery is responsible for the statewide farm pond stocking program.

Big Spring Fish Hatchery

The Big Spring Fish Hatchery was originally constructed as a private hatchery and fishing club in 1938, and sold to the Iowa Conservation Commission, now the DNR, in March of 1961. The hatchery is located along the Turkey River in Clayton County and includes the largest coldwater spring found in Iowa. In 2008, flooding inundated the facility and plans are in progress to replace the severely damaged office/shop complex.



The Big Spring facility serves as a trout rearing station and annually produces 150,000 trout in 24 raceways. Besides stocking over 17 streams, Big Spring stocks many of the urban trout lakes throughout Iowa. A “kid’s only” fishing pond is, also, located on the property.

Manchester Fish Hatchery

In the late 1880s, the U.S. Department of the Interior sent a representative to the Upper Mississippi River to locate a suitable site for fish culture. In 1894, the present 25 acre site was donated by local citizens. In 1976, the US Fish and Wildlife Service traded the facility to the Iowa Conservation Commission, now the Iowa DNR.



All trout begin their life at the Manchester Hatchery. It produces all the eggs for the DNR. The hatchery is primarily responsible for supplying 500,000 fingerling rainbow trout, brown trout, and brook trout. Some are stocked out and the rest are distributed to the Big Spring and Decorah hatcheries for further rearing. Manchester is also responsible for raising catchable-size fish for stocking into thirteen streams and several impoundments. The streams in Delaware, Dubuque, and Jackson counties are stocked from Manchester. In addition, the facility serves as the northeastern office for the DNR Fisheries and Law Enforcement bureaus.

Decorah Fish Hatchery

The Decorah Fish Hatchery is located in Winneshiek County. The picturesque limestone office and residence date back to the 1930s as a project of the Civilian Conservation Corps.



The Decorah Hatchery is responsible for the stocking of fifteen streams in the counties of Winneshiek, Allamakee, Howard, and Mitchell with 120,000 catchable size rainbow trout, plus twelve thousand catchable brook trout. These fish are annually requested by fisheries management staff to meet the put-and-take need in these streams. In addition to the stream stocking, Decorah Hatchery is also responsible for the stocking of several thousand trout into urban ponds located in Mason City and Sioux City during the winter months for ice fishing.



Mount Ayr Hatchery

Mount Ayr Hatchery is located in Ringgold County. In 1941, the City of Mount Ayr agreed to allow the DNR to use city owned property directly below Loch Ayr to propagate fish. In 1959, the state expanded the area to increase the number of fish rearing ponds. While this hatchery has only 6.4 acres of water in eight ponds, it produces all the hybrid striped bass stocked in Iowa. It also produces bluegill and largemouth bass for statewide use. Fish Management personnel operate the facility.

Guttenberg Hatchery

Guttenberg Hatchery is located in the City of Guttenberg in Clayton County. The facility was originally constructed by the US Fish & Wildlife Service in 1938 and it was operated as a hatchery until 1971 when it closed. In 1974, the DNR leased the facility and, in 1984, fee title was given to the DNR. The facility only operates as a hatchery for one month to produce several million northern pike fry. It also houses a public aquarium and the Upper Mississippi River Fish Management team. This team operates the facility and



conducts the netting and spawning operations for northern pike. Most of the fish hatched are stocked in the shallow backwater habitat of the Mississippi River.

Fish Management and Research

Fisheries management biologists perform a number of tasks, including habitat improvements, fishery surveys, fish kill investigations, fishing tournament administration, regulation assessment, water quality monitoring, public programs, and fishing clinics.

There are 14 fisheries management stations in Iowa. Eleven of these have responsibilities that cover the lakes (both natural and manmade) and streams of all sizes within the management districts. Most management districts have a variety of fishery resource types within the respective districts. For instance, the Spirit Lake Management Team is responsible for a number of large natural lakes, several small streams, and a number of small impoundments.

Fisheries research biologists evaluate projects aimed at improving Iowa's water and aquatic resources. These include research on fish communities in specific types of water habitats, strategies to protect and enhance fish habitats in the various water systems, ways to improve angling opportunities in Iowa, and fish stocking strategies.

There are seven fisheries research stations in Iowa. Each has a particular field of investigation. Therefore, a number of fisheries research topics may be addressed by multiple research teams within the boundaries of any given management district. The overlap of these topics of research exemplifies the diversity of Iowa's fishery resources. Three stations have river responsibilities that deal specifically with the pools of the Mississippi River. One station has responsibilities on the Missouri River. Fisheries research and investigations provide a vast amount of knowledge that fishery management teams can use to improve the quality of Iowa's fishing resources.

Management and research staff work closely together because, although the work has different functions, each area of work benefits the others' goals. There are five types of fishery resources in Iowa that Fisheries management and research addresses: interior streams, Mississippi River, natural lakes, constructed lakes (impounds), and large reservoirs.

1. Interior Streams: Surveys conducted to determine the attitudes and preferences of Iowa anglers showed that one in five fishing trips takes place on one of Iowa's interior waterways. Part of the popularity of our rivers and streams is due to the fact most of the cities, and therefore Iowa's greatest population, are adjacent to these types of waters. Stream fishing has a particular fascination to people who like elbow room, enjoy wildlife of a never-ending variety, and a different angling challenge to solve around every bend.

2. Mississippi River: The Mississippi River borders Iowa for more than 300 miles, entering the state between precipitous bluffs that rise four to six hundred feet above the river level. Bluffs diminish in size and spectacular appearance from Bellevue southward. The river meanders east and west through numerous side channels, chutes, and sloughs across its two- to six-mile wide valley. In addition to the very popular sport fishing, commercial food-fish catches from the river provide a large proportion of the freshwater fish species consumed in the Midwest and along the east coast. Value of the fishery in Iowa exceeds well over one million dollars each year. The fishing industry on the Mississippi supports wholly or, in part, many families.

3. Natural Lakes: Natural lakes, formed by glaciations, are common in the northwestern and north-central parts of Iowa. This area contains 31 major natural lakes, with a combined surface area of almost 29,000

acres, and 17 marsh-like lakes, with over 3,000 acres of combined surface area. Many of these lakes provide premier sport fishing opportunities.

4. **Constructed Lakes (Impoundments):** There are a large number of small impoundments scattered across the state of Iowa. The purposes of these types of systems vary. Some are water supply reservoirs, others were built exclusively for recreation. Most of these water bodies are concentrated in the southern portions of the state. Water acreage can vary from less than one acre to several hundred acres; however, most public waters that are managed by the DNR are at least 20 acres in size. Many of these lakes provide some of the best largemouth bass and bluegill fishing in the state. Northern pike and channel catfish, also, provide an additional important fishing opportunity.

5. **Large Reservoirs:** There are four large river impoundments in the state of Iowa, including Lakes Coralville, Rathbun, Red Rock, and Saylorville. These lakes serve as flood control reservoirs and are subject to large annual fluctuations in size. These systems are extremely important, providing a variety of recreational opportunities. Most river impoundments contain fish populations indigenous to the parent stream, but in the flood control reservoirs, fish populations are significantly influenced by stocking programs. Channel catfish, carp, and bullhead are present in addition to walleye, crappie, bluegill, and largemouth bass. Due to their large size, these systems are quite different from the many other types of aquatic systems in Iowa and pose different challenges to the fishery management and research teams responsible for protecting and enhancing the fishery resources.

Urban Fisheries Program

Urban fisheries are gaining priority status as conservation agencies aim to recruit new anglers to the sport of fishing. Recruitment of youth has been a challenge due to various reasons, such as competition with other school sports and the lack of basic fishing knowledge among children and parents. Recently, the Polk County Conservation Board and the Des Moines Parks & Recreation Department have expressed interest in improving fishing opportunities and public awareness of their lakes. The main objective of this project is to develop a management plan for these two agencies. Baseline fisheries population data will be collected according to standard protocols. Other parameters will be assessed, such as the condition of the watershed, shoreline erosion, angler access, and amenities. Depth maps will also be created and user count information will be gathered for some of Polk County's lakes. The plan will discuss the potential of each lake as a fishery and prioritize future projects and spending. The results of this project should provide useful information for the Polk County Conservation Board, Des Moines Parks & Recreation Department, and for a future urban fishing program in other urban areas.

Urban Fishing Fund Grant application Program

The fisheries bureau has established an Urban Fishing Fund Program where the Iowa DNR will provide up to 75% cost-share to city governments and private entities that submit top ranking project applications. Projects should focus on protecting, improving and creating new fishing opportunities in Iowa's urban areas. Projects that focus on aquatic and/or fishing education are also eligible. Top ranking projects will incorporate storm water/watershed improvements, community involvement, and partnerships.



Urban Trout Program

The Fisheries Bureau has been involved in cool weather urban trout stocking continuously since 1981. The urban lakes trout program is an effort to introduce trout fishing to more anglers across the state, and has

recently been expanded to include more urban areas. Currently, the urban trout program includes special fisheries within close proximity to Des Moines, Davenport, Dubuque, Cedar Falls, Mason City, Sioux City, Spencer, Ankeny, Cedar Rapids, Ottumwa, Muscatine, and Council Bluffs. At each site, DNR staff will be on hand during promotional events planned in conjunction with most of these stockings. The urban winter trout stockings will give anglers a “close to home” way to discover trout fishing and ice fishing.

Aquatic Invasive Species

Aquatic research staff monitors, educates, and works to manage invasive species, such as bighead carp, silver carp, Eurasian water milfoil, zebra mussels and other nonnative aquatic species that threaten Iowa waters. These aquatic invaders do not occur naturally in our lakes and rivers. When transplanted into them, these exotic species can cause ecological and economic harm by displacing native plants and animals, damaging water resources, and interfering with water based recreation, including fishing. A proportion of funding for this program comes from the Boat Registration Fees. A detailed explanation of this program’s activities can be located in the annual Boat Registration Fee Report.

Aquatic Education

The Aquatic Education Program incorporates angler education including a fishing module targeted to middle-high school physical education, which reaches an estimated 160,000 participants each year. Funds support local partners who provide fishing instruction and opportunities through youth organizations, parks and recreation departments, county conservation boards, the Iowa Sports Foundation, and others.



Aquatic Education also works in conjunction with other bureaus to provide conservation education training, materials and leadership to hundreds of Iowa educators through *Projects WILD*, *WILD Aquatic*, and *Learning Tree*. Key partners in training and program delivery include colleges and universities, the Department of Education, area education agencies, and local Extension and County Conservation Boards. Most training is delivered through courses for college or re-certification credit and provides Iowa-specific ecological knowledge and resources, as well as age-appropriate activities for Pre-Kindergarten through grade 12.

Finally, the program provides web-based information as well as a host of printed materials related to Iowa’s aquatic resources for the general public. It also funds the fisheries display at the Iowa State Fair and informational displays at hatchery and other aquatic visitor centers across Iowa.

Lake Restoration Program

The Fisheries Bureau also manages the Lake Restoration Program. This program is funded through non-Trust Fund dollars and has averaged \$8 million in funding, annually, over the past five years. The department worked with Iowa State University to develop an initial list of 35 significant publicly-owned lakes to be considered for funding, and works with representatives of each lake community to develop a joint lake restoration action plan, including watershed work followed by in-lake restoration and management plans.



The program goals are to ensure a cost effective, positive return on investment; ensure local community commitment to lake and watershed protection; ensure significant improvement in water clarity, safety, and

quality of Iowa lakes; provide for a sustainable, healthy, functioning lake system; and result in the removal of the lake from the impaired waters list. The program's goals and plans are presented in the annual Lake Restoration report.

Fisheries Bureau – FTEs and Position Descriptions

(FTE = full time equivalent position)

FTE Allocation	Position Title	Position Description
1	Public Service Executive 4 (Bureau Chief)	Manages the Fisheries Bureau; part of Division Administrator's management team; responsible for Fisheries Bureau personnel and the work within the bureau.
2	Public Service Executive 3	Performs administrative management of the Fish Management and Research sections; responsible for personnel issues and budgets.
5	Public Service Executive 2	Performs supervisory management work with field staff in the fish management and research sections.
1	Executive Officer 2	Performs program management for the Fisheries Bureau; manages federal aid grants; manages the Fisheries Bureau capital plan.
31	Natural Resources Biologist	Performs professional fisheries biological work in a hatchery, fisheries or wildlife management, or research unit; oversees the work of other staff.
39	Natural Resources Tech 2	Performs a variety of technical tasks in fisheries research, management, hatchery; responsible for carrying out annual plans developed by a biologist; helps direct the work of seasonal employees in the performance of operations in one of the units.
6	Natural Resources Tech 1	Performs a variety of maintenance and technical tasks in a fisheries research or management unit or in a fish hatchery.
6	Secretary 2	Performs critical administrative support duties at the field stations; also provides support for the other TF bureaus.
1	Facilities Maint Coordinator	Performs buildings and grounds maintenance and related support at a hatchery.
27.09	Non-Permanent (Seasonals)	Under immediate supervision, performs a variety of natural resource area maintenance tasks; conducts surveys and collects data related to natural resources.
119.09	TOTAL FISHERIES FTES	

Fisheries Bureau – Revenue and Expenditures

Fisheries Bureau FY11 – Revenue and Expenditures

REVENUE

Trust Fund Allocation	\$10,672,470
TOTAL REVENUE	\$10,672,470

EXPENDITURES

Personal Services (staff)	\$7,375,911
Travel	\$98,659
State Vehicle Operations (fuel, service, insurance)	\$194,651
Vehicle Depreciation Payments (savings acct for vehicle replacement)	\$300,000
Office Supplies (office supplies, organization dues)	\$17,215
Facility Maintenance Supplies	\$81,401
Equipment Maintenance	\$152,660
Ag Supplies (i.e. pesticide, chemical, fertilizer supplies)	\$397,908
General Supplies and Materials	\$140,516
Print & Binding (of publications)	\$68,314
Uniforms	\$28,220
Postage	\$23,756
Communications (i.e. cell phones, internet service)	\$52,280
Rentals	\$28,039
Utilities	\$225,193
Outside Services (i.e. ISU research; science related, machine/operator cost)	\$149,101
Adver. Publishing (i.e. newspaper, radio)	\$42,141
Reimbursement to Other Agency (ie. Training, Health Ins)	\$6,380
ITD Services Reimbursement	\$2,226
Equipment	\$158,753
IT Hardware	\$25,849
Other Expenses (i.e. retirement related)	\$881
Licenses, Permits, and Fees	\$3,407
Indirects (general overhead costs; i.e. DAS billing, Worker's Comp, IT services, Auditor's Ofc, departmental support staff, general postage)	\$1,099,009
TOTAL TRUST FUND EXPENDITURES	\$10,672,470

WILDLIFE BUREAU

The Wildlife Bureau is responsible for the management of Iowa's precious wildlife resources. Accomplishing this goal involves a wide array of programs and activities which promote the habitat protection and habitat development in Iowa, providing viable wildlife populations that support recreational hunting and viewing.

Professional wildlife staff performs surveys, census, and research studies that produce data and provide for science based management and policy decisions. Partnerships with other agencies and private organizations are actively pursued to develop and achieve common natural resource goals. Added landscape diversity, improved soil and water conservation, and enhanced water quality are benefits resulting from Wildlife Bureau programs.

The bureau manages 463 public wildlife areas, 724 control structures, 237 miles of levees and dikes, 313 boat ramps, 1,317 parking lots, and 9 shooting ranges. In addition, it manages the Prairie Seed Program in partnership with the Iowa Department of Corrections to provide native plantings on public property.

The economic benefits to Iowa from wildlife management include \$443,000,000 per year spent on hunting in Iowa by 250,000 hunters. The 1,022,000 wildlife watchers in Iowa spend \$342,000,000 per year. On average, hunters collectively spend 4,000,000 days on their sport each year and wildlife watchers spend a further 6,400,000 collective days.

The wildlife staffs work closely with other government agencies and with conservation groups such as Pheasants Forever, Ducks Unlimited, Wild Turkey Federation, Quail Unlimited, Waterfowl USA, and Wetlands for Iowa to promote good wildlife management through various programs.

Wildlife Research and Management

To better manage Iowa's wildlife resources, the Wildlife Bureau established two sections: Research and Management.

The Wildlife Research Section operates three stations staffed with biologists and technicians who conduct research on wildlife populations, coordinate wildlife reintroduction and restoration efforts, collect biological data, make hunting season recommendations, and band waterfowl.



Staff is involved in the very important role of monitoring wildlife populations throughout the state. Information gained through this work is used to solve wildlife problems, make hunting season recommendations, and design new techniques and management strategies to ensure a sound wildlife population for the future. Wildlife reintroduction projects in Iowa are another big success story made possible through this program. Thirty years ago nesting Canada geese, wild turkeys, prairie chickens and river otters were a distant memory and deer hunting opportunities were limited, at best. Today, Canada geese and wild turkeys nest across the state, as well as world-class deer, which provide some of the best recreational opportunities in the nation.

The Wildlife Management Section consists of 16 management units covering the state. Each unit is staffed with a wildlife biologist and several technicians. Work involves managing public lands, assisting private

landowners with habitat improvement projects, and providing information about wildlife populations on local public lands. Wildlife management areas encompass over one-third of a million acres for outdoor recreation, including river access to 10,400 miles of Iowa streams. Wetland restoration is an important focus of habitat improvement projects and, in the last several years, more wetlands have been restored in Iowa than have been drained. Since 1987, over 900 wetland basins (4,100 acres) have been restored.

The Wildlife Bureau manages over 356,752 acres (state owned and federally owned/state managed). The majority of these acres are managed to provide habitat for Iowa's native wildlife species and those species that migrate through our state. Developing and restoring wildlife habitat to ensure that wildlife species have a safe place to breed, rest, and feed is the primary management objective. Wildlife dependent recreational activities are allowed to enable residents and non-residents to enjoy these wildlife species.

Only basic public use facilities, such as parking lots and boats ramps, are provided in wildlife management areas. Portions of these areas may be designated as refuges and restrictions are placed on certain uses that may interfere with management goals and objectives.

Private Lands Program

Most of Iowa's land is in private ownership. Because much of the wildlife production and recreation occurs on this type of land, private land habitat improvement is important. The DNR conducts a program to provide landowners cost-share programs and technical assistance to plan, implement, and improve habitat. Food plots, prairie grasses, and shelterbelts are now recognized by farmers, conservation organizations, and outdoor enthusiasts as sound land use practices. The Private Lands Program also provides technical expertise to landowners interested in restoring or establishing wetlands on their property.

The Iowa DNR coordinates its efforts with Natural Resources Conservation Services (NRCS), Farm Service Agency (FSA), and the Soil and Water Conservation Districts (SWCD) to enroll landowners in conservation programs across the state. Program staff also works cooperatively and receives assistance from many non-governmental organizations such as Pheasants Forever and The Nature Conservancy in the effort to encourage quality habitat in Iowa. In the first ten years of the program, 2000-2010, 379,089 acres of habitat improvement suggestions were made. Of that, 130,375 acres of habitat improvement suggestions were targeted at wetland restoration. Sixty percent of all habitat recommendations made by the private lands program staff are voluntarily implemented by private landowners.

Nuisance Animal and Depredation Control

Two full-time and three part-time DNR employees across the state work with landowners that are experiencing nuisance wildlife issues. The assistance provided is primarily in the form of advice and recommendations that can be used to solve problems. Depredation plans are written for farmers who experience a significant loss of crops. The plan identifies self-help techniques and other alternatives. In some instances, fencing and noise devices to deter wildlife will be used to help landowners experiencing problems from Canada geese and deer. Biologists also evaluate significant deer depredation complaints and can recommend depredation licenses/shooting permits if landowners have exhausted all other non-lethal control methods. On average, depredation biologists handle approximately 400 complaints, prepare 400 depredation plans, and issue 15,000 depredation shooting permits annually.

Iowa has a world class deer herd that provides countless hours of recreational hunting and viewing opportunity. It has a positive impact on Iowa's economy and brings in over \$200 million dollars per year to local areas. The depredation program represents a significant investment by the Department to maintain a high quality deer herd that is socially acceptable and reduces the impacts to farmers and landowners.

Wildlife Diversity Program

To many Iowans, the first thing that comes to mind when talking about the fish and wildlife resources might be deer, pheasants, walleye, ducks, catfish, turkeys, muskrats, crappies and other traditional game or sport fish species. However, the vast majority of wildlife species in Iowa are not hunted, trapped, or fished.

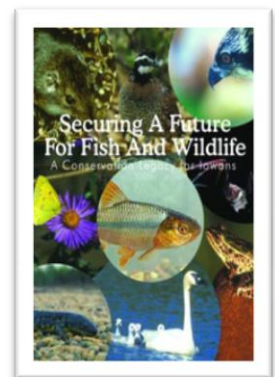
In addition to Trust Fund dollars, Iowa's Wildlife Diversity Program has multiple funding sources that support habitat and research work benefiting both game and non-game species. Those sources include the Chickadee (Fish and Wildlife) tax check off, nongame support certificates (FY11 is the last year for this source), a portion of REAP Natural Resource License Plate sales, donations, and publication sales (i.e. Wildlife Viewing Guides). Since 2001, DNR's Wildlife Diversity Program has been the recipient of annual appropriations from the federal government that have provided critically needed funding for wildlife diversity projects.

The Wildlife Diversity Program is supported by five staff members. The program focus is on landscape and ecosystem management, statewide inventory and monitoring of all wildlife species, and training volunteer wildlife surveyors, while continuing public outreach functions and selected species reintroduction programs. Public events like Bluebird Workshops, Bald Eagle Appreciation Days, and Hawk Watches are attended annually by thousands who want to learn more about the need for conservation of Iowa's wildlife.

The Iowa Wildlife Action Plan

The Wildlife Diversity Program currently oversees implementation of the Iowa Wildlife Action Plan, a comprehensive strategy that will help guide DNR's fish and wildlife management activities over the next 25 years. This plan was written by Iowans for Iowans.

The Iowa Wildlife Action Plan is a proactive plan designed to conserve all wildlife in Iowa before species become rare and more costly to protect. Developed by a coalition of scientists, sportsmen and women, conservationists, and members of the public, this plan can help protect wildlife and habitats for future generations. If the steps in the action plan are successfully carried out, Iowa will have cleaner water and air, and a healthy environment for people and wildlife.



The plan, titled *Securing a Future for Fish and Wildlife: a Conservation Legacy for Iowans*, is the first attempt ever to enumerate most of the state's wildlife and evaluate the status of each species. It also examines stresses on wild creatures or their habitats and lays out visions and strategies to conserve wildlife over the next 25 years. The comprehensive plan can be viewed at <http://www.iowadnr.gov/wildlife/diversity/plan.html>.

Iowa Bird Conservation Area (BCA) Program

Within the last two decades, alarming declines in a large number of species of North American birds have led to the emergence of national and international initiatives dedicated to conservation of game and nongame birds. Various conservation programs or plans aimed at individual groups of declining birds are gathered under the umbrella of the North American Bird Conservation Initiative (NABCI), to conserve "all birds in all habitats." As part of this initiative, and in an effort to protect dwindling populations of many Iowa birds, Iowa's Bird Conservation Area (BCA) Program was established by the Wildlife Bureau.

In 2001, the Iowa DNR designated its first BCA, the Kellerton Grasslands Bird Conservation Area, located in Ringgold County. This was the first grassland BCA to be dedicated in the United States. Managing for the prairie chickens found in this BCA is the main focus, but a host of other grassland birds will benefit.

Bird watching, or birding, is one of North America's fastest growing pastimes, with an estimated 50 - 70 million participants in the United States. These and other associated activities benefit the economies of the regions where they occur. A recent survey by the US Fish & Wildlife Service found that over one million Iowans watched wildlife in 2006 and that Iowa residents and nonresidents spent \$304 million on wildlife watching in Iowa that same year. Since 1991, wildlife watching expenditures have grown in the U.S. by 46%. Special highway and recreational area maps guide birders along "birding trails," and bird festivals and guided birding field trips are offered by a growing number of commercial firms, conservation organizations, and agencies. Bird Conservation Areas may help draw the attention of eco-tourism to Iowa, with economic gain for the area motels, restaurants, and other businesses in the BCA vicinity.



Wildlife Bureau – FTEs and Position Descriptions

(FTE = full time equivalent position)

FTE Allocation	Position Title	Position Description
1	Public Service Executive 4 (Bureau Chief)	Manages the Wildlife Bureau; part of Division Administrator's management team; responsible for Wildlife Bureau personnel and the work within the bureau.
1	Public Service Executive 3	Performs supervisory management work with the Wildlife Research Sections; responsible for personnel issues and budgets.
5	Public Service Executive 2	Performs the supervisory management work in the 5 wildlife management districts.
1	Executive Officer 3	Performs program oversight for the 5 management districts; provides budget development and tracking for the Wildlife Management Section; directs planning.
5	Executive Officer 2	Performs program management work including writing and administering federal grants, managing the federal aid and capitals budgets, and managing the Private Lands Program.
36	Natural Resources Biologist	Performs professional wildlife biological work in a wildlife management or research unit; oversees the work of other staff.
35	Natural Resources Tech 2	Performs a variety of technical tasks in a wildlife research or management unit; responsible for carrying out annual plans developed by biologist; may direct the work of others in the performance of operations in one of the units.
42	Natural Resources Tech 1	Performs a variety of maintenance and technical tasks in a wildlife research or management unit.
1	Natural Resource Biometrician	Performs advanced level professional work in planning, designing, and conducting surveys and field research projects; creates and/or maintains databases of historical data.
1	Environmental Specialist	Serves as expert botanist for the bureau; conducts surveys and helps develop management plans.
.5	Forester 2	Performs professional forest habitat management work on wildlife areas.
2	Secretary 2	Performs critical administrative support duties at the field stations.
16.79	Non-Permanent (Seasonals)	Under immediate supervision, performs a variety of natural resource area maintenance tasks; conducts surveys or otherwise collects data related to natural resources.
147.29	TOTAL WILDLIFE FTES	

Wildlife Bureau – Revenue and Expenditures

Wildlife Bureau FY11 – Revenue and Expenditures

REVENUE

Trust Fund Allocation	\$14,481,371
Condition 5 Funding (U.S. Army Corps of Engineers pass through management funds for Corps owned-DNR managed land.)	\$581,946
TOTAL REVENUE	\$15,063,317

EXPENDITURES

Personal Services	\$9,292,647
Travel	\$116,182
State Vehicle Operations (fuel, service, insurance)	\$399,690
Vehicle Depreciation Payments (savings acct for vehicle replacement)	\$1,014,000
Office Supplies (office supplies, organization dues)	\$37,385
Facility Maintenance Supplies	\$314,173
Equipment Maintenance	\$497,577
Ag Supplies (i.e. pesticide, chemical, fertilizer supplies)	\$113,746
General Supplies and Materials	\$156,117
Print & Binding (of publications)	\$22,884
Uniforms	\$36,090
Postage	\$65,188
Communications (i.e. telephone service)	\$102,722
Rentals	\$55,470
Utilities	\$117,470
Outside Services (i.e. research; veterinary specimen testing, science related, program education, machine/operator cost)	\$675,026
Adver. Publishing (i.e. official newspaper publications)	\$15,111
Reimbursement to Other Agency (ie. training, health ins)	\$34,348
ITD Services Reimbursement	\$2,070
Equipment	\$507,490
IT Hardware	\$92,487
Other Expenses (i.e. retirement related)	\$9,727
Licenses, Permits, and Fees	\$1,112
Indirects (general overhead costs; i.e. DAS billing, Worker's Comp, IT services, Auditor's Ofc, departmental support staff, general postage)	\$1,384,605
TOTAL EXPENDITURES (includes Condition 5 Expenditures)	\$15,063,317

TOTAL TRUST FUND EXPENDITURES	\$14,481,371
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LAW ENFORCEMENT BUREAU

The mission of the Law Enforcement Bureau is to protect the state's natural resources, provide public safety, and educate and serve the public. Conservation Officers ensure that Iowa's fish, game, and public natural area laws are followed, which have a direct effect on the health of Iowa's natural resources. Officers have diverse duties in addition to enforcement. They include public education, public relations, inspections, and outreach.



The Law Enforcement Bureau force includes five districts across the state, staffed by Conservation Officers assigned to one or two counties or parts of counties, depending on the need. Each district has a supervisor.

Conservation Officers

The Conservation Officers are the backbone of the Law Enforcement Bureau. They have the complex job of balancing public relations with the conservation of Iowa's natural resources. They a) provide fish and game law enforcement, boating and other recreational activity enforcement; b) serve as Recreational Safety Officers (RSOs) for boating, shooting sports, hunter safety, and other recreational safety programs; c) are trained in areas such as firearms, defensive tactics, CPR, waterfowl identifications, forensic trainings; and d) provide inspections for taxidermists, scientific collectors, bait dealers, fur buyers, boat docks, and recreation trails and parks. They are also an important resource for public relations and education through articles, radio and television programs, and civic group presentations.

In addition to the officer's normal job duties, they serve during environmental disasters in Iowa. They provide disaster assistance, environmental impact assessment efforts, aftermath clean-up efforts, and provide boats/staff to EPA, National Guard, and Environmental Protection staff to locate hazardous materials and orphaned drums that have been displaced. These activities are funded through the appropriate activity coding, including FEMA reimbursements when applicable.



Officers are on-call 24 hours a day, seven days a week, by radio and telephone. They work most weekends, particularly during the opening of hunting seasons and during summer holidays. Offices are maintained in their homes and in their issued vehicles.

Conservation Officers usually have 4-year degrees in fish and wildlife management, biology, criminal justice or similar fields. Most also have experience recreating in the outdoors and using the tools of outdoor pursuits.

All of the officers in the bureau are state peace officers certified by the Iowa Law Enforcement Academy, with the authority to enforce all the laws of Iowa. As U.S. Federal deputy game wardens, they are also able to cross over state lines when violations of federal laws related to wildlife crimes have been committed.

Officer training does not end after completing initial basic training at the Iowa Law Enforcement Academy. In-service training includes defensive tactics, firearms, communication skills, ice and swift water rescue, and law enforcement driving skills. Many officers act as instructor/trainers for the bureau.

Recreational Safety Officers work closely with the recreational safety programs, and provide accident investigation assistance to field officers. When needed, they also perform the regular duties of a Conservation Officer.

In Iowa, All Terrain Vehicles (ATVs) and snowmobiles are required to register if they are used on public lands or trails. These registration fees are not placed in the Trust Fund, but a percentage of Law Enforcement Bureau staff time is dedicated to ATV/Snowmobile safety and regulation, and these activities are coded and paid for through these non-Trust Fund registration fees.



Boat registration fees support officers' time dedicated toward the regulation of navigation and recreation safety, aquatic invasive species control, and recreational boating education. Boat registration fees are deposited into the Trust Fund, and are carefully tracked through the use of activity codes that detail how employee time is spent. These fees have a specific purpose outlined in Iowa Code, which is provided in the Boat Registration Fee Report.



Each summer, the bureau hires individuals to serve as temporary Water Patrol Officers (WPOs). This resource serves to assist the growing number of recreational boat users during the season. The WPO duties include patrolling Iowa's lakes and rivers by boat and foot, checking for compliance with Iowa's navigation and fishing regulations, with an emphasis on aquatic invasive species education and enforcement, and helping to ensure a safe recreational environment for the public.

The Law Enforcement Bureau receives federal funding for public education programs. These educational opportunities are mandated public training or voluntary educational programs. The following is a list of core public programs the bureau provides and manages:

Boating Education Courses	Safety	Mandatory program for any person 12-17 who will operate a motorboat over 10 horsepower or personal watercraft (PWC) on Iowa waters. The program offers 3 different learning styles for the mandated education certificate.
Bow Education	Hunter	Program designed to teach bow hunters safe and ethical hunting techniques and to instill responsible attitudes toward people, wildlife and the environment. Majority of students complete the online course and then are required to participate in a field day.
Fur Education	Harvester	This voluntary home-study course provides students the opportunity to become certified in fur harvesting. Students receive instruction on the history and heritage of the fur trade, biology and management of Iowa furbearers, wildlife

regulations and their purpose, ethics and responsibility, fur harvesting equipment, the basics of harvesting Iowa furbearers, marketing furbearers, public relations, and the basics of outdoor safety and survival.

Hunter Ed Program	Mandatory program that is designed to introduce students to several life-long skills important to many different types of outdoor recreational opportunities. The course teaches students basic survival and first aid skills, water safety, wildlife identification, and the basics of wildlife management, hunting laws, and firearm/archery safety.
Iowa High School and Scholastic Clay Target Program (SCTP)	The Iowa High School and Scholastic Clay Target Program (SCTP) is a team-based clay target shooting program. Through organized clay target shooting, youth learn lifelong skills such as firearm safety, teamwork, respect for self and others, mental focus, and self-discipline.
National Archery In the Schools Program (NASP)	The program promotes student education and participation in the life-long sport of archery. The program's focus is to provide International style target archery training in physical education classes for grades 4-12.
Outdoor Journey for Girls	A 3-day, 2-night workshop aimed at introducing outdoor skills to girls ages 12 to 15 years old in a supportive, learning environment where they have “hands-on” opportunities.
Shooting Program	Sports The Shooting Sports Program introduces Iowans to the target shooting sports, promotes existing target shooting programs, provides new target shooting programs, provides shooting facilities, and improves existing facilities. Target shooting is a life-time sport that families can enjoy together, and it teaches fundamental marksmanship skills.

The Law Enforcement Bureau also manages the Turn in Poachers (TIP) program. TIP is an organized non-profit corporation. The responsibility for TIP is shared by the TIP board and the DNR. The Department receives and records reports of fish or game violations, routes confidential information to DNR officers for investigation, and arranges reward payments to informants through the TIP board. The toll-free TIP number is monitored 24-hours a day for citizens to report information about crimes against fish or wildlife.

Rivers Program – Water Trails and Low-head Dam Public Hazard Program

The Iowa DNR Water Trails and Low-Head Dam Public Hazard Program works statewide to ensure improved navigational safety on waterways throughout Iowa. This is achieved through public education and by developing consistently signed water trails, a warning signage system, navigation maps, accesses, and portage trails around dangerous dams. Program employees are funded with approximately \$180,000 from the Boat Registration Fees fund within the Trust Fund, and from a variety of other funds, which are transferred into the Trust Fund specifically for these program employees.

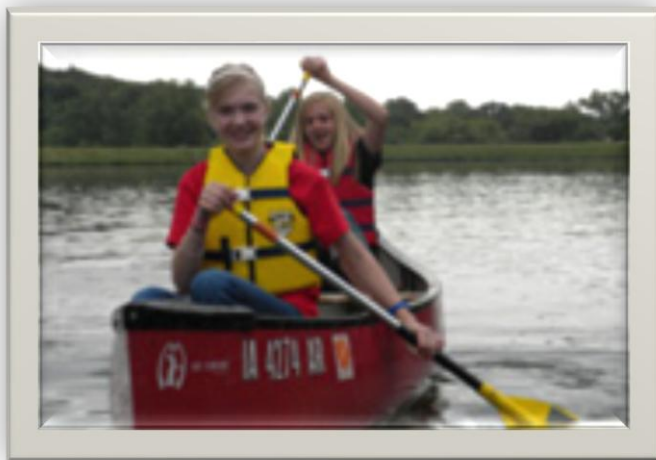
A Law Enforcement Bureau cost center, as well as activity codes, are used to make sure the different funds are expended appropriately. In addition to Boat Registration Fee funds, the rivers program uses special appropriations through infrastructure funds, Marine Fuel Tax funds where appropriate, and REAP Protected Waters Area program funds where appropriate.

The program serves a growing segment of boat users – canoeists and kayakers, as well as more traditional recreational segments, including anglers and powerboaters. National statistics show that canoeists and kayakers have a higher rate of death per capita compared to other boaters. Two brochures, “SmartStart for

Safe Paddling” and “The Drowning Machine” are disseminated to county recorders, boat rental facilities, paddling clubs, local governments, and field staff. The water trails program completed its sixth “Expedition and Fishing Guide” for whole river systems. The first two completed were for the Maquoketa and Raccoon river systems. These maps contain angling information, dam, and launch locations. Printing is paid for cooperatively with the Fisheries Bureau, and the brochure maps are being disseminated in cooperation with Iowa Welcome Centers, county conservation boards, and state parks and fish hatcheries.

Three two-day canoe school trainings were offered for naturalists and other agency staff to “train the trainers.” This responds to a need identified by agencies with canoe fleets that take groups on lakes and river. It provides consistent training for leading safe tours, developing risk management plans, and demonstrating appropriate canoeing skills. Two trainings for canoe liveries using the Professional Paddlesports Association training materials were held in the winter in order to promote safe, responsible enjoyment of streams and lakes.

The River Programs Coordinator is responsible for overall program direction and management; a construction technician plans, develops, and maintains warning signage plans and portage trails, including launches and landings around dams; two seasonal assistants lay out plans, assist with mapping, conduct river assessment field work for dam-related projects, and install signage and construct portages; an FTE is focused half-time on leading river survey and assessment work at low-head dams, and half-time on the Protected Water Areas program, a land conservation program along rivers.



Law Enforcement Bureau – FTEs and Position Descriptions

(FTE = full time equivalent position)

FTE Allocation	Position Title	Position Description
1	Public Service Executive 4 (Bureau Chief)	Manages the Law Enforcement Bureau; part of Division Administrator's management team; responsible for Law Enforcement personnel and the work within the bureau.
1	Public Service Executive 3 (Asst Bureau Chief)	Performs supervisory management work for the bureau relating to all enforcement activities, personnel issues, budgets, capitals, and serves as acting Bureau Chief as assigned.
7	Public Service Executive 2 (Law Enf Supervisors)	Performs supervisory management work for the five districts, recreational safety programs and licensing section; directs Conservation Officers and provides services to the public in regard to the enforcement of state and federal fish and game laws.
85	Conservation Officer	Enforces state and federal fish and game laws and promotes conservation practices throughout an assigned area of the state.
2	Executive Officer 2	1) Performs program management work, such as the Turn In Poachers program; handles disputed license issues related to criminal activity (i.e. license revocations). 1) Responsible for Rivers Program supervision, which includes statewide plan development; collaborating on river survey, assessment, and design work with engineering; and technical assistance to external dam owners.
1	Administrative Assistant 1	Performs administrative program work relating to Hunter Education and other public education programs.
2	Program Planner 3	Manages the Boating Safety Program, including the Water Patrol Officer program (funded by Boat Registration Fees); serves as Shooting Sports coordinator; performs advanced professional level program planning work of broad technical scope and depth.
1	Environmental Specialist	Performs river surveys for dam modification and removal projects, conducts stream assessments and monitoring, updates the Protected Water Areas Management Plans
1	Program Planner 1	Water trails coordinator, provides technical assistance for planning and development of water trails, coordinates water trail designation, water trail grant administrator, assists with portage trail construction and general upkeep.
1	Construction Technician	Plans, develops, and maintains warning signage plans and portage trails, including launches and landings, around dams; advisor to communities relating to dams and water trails
16.8	Non-Permanent (Seasonals)	15.8) Under immediate supervision, enforces state and federal fish and game laws and promotes conservation practices throughout an assigned area of the state; performs a variety of natural resource area maintenance tasks; conducts surveys or otherwise collects data related to natural resources. 1) Lays out river access plans, assists with mapping, conducts river assessment field work for dam-related projects, installs signage and constructs portages.
120.8	TOTAL LAW ENF FTES	

Law Enforcement Bureau – Revenue and Expenditures

Law Enforcement Bureau FY11 – Revenue and Expenditures

REVENUE

Trust Fund Allocation	\$12,134,386
TOTAL REVENUE	\$12,134,386

EXPENDITURES

Personal Services	\$8,413,768
Travel	\$221,162
State Vehicle Operations (fuel, service, insurance)	\$769,823
Vehicle Depreciation Payments (savings acct for vehicle replacement)	\$100,300
Office Supplies (office supplies, organization dues)	\$41,053
Facility Maintenance Supplies	\$113,465
Equipment Maintenance	\$160,149
General Supplies and Materials	\$374,892
Print & Binding (of publications)	\$55,696
Uniforms	\$89,501
Postage	\$2,755
Communications (i.e. cell phones, internet service)	\$149,328
Rentals	\$18,060
Utilities	\$32,000
Outside Services (i.e. hunter safety consultation, education awareness, machine/operator cost)	\$103,482
Adver. Publishing (i.e. advertising, promotional supplies)	\$46,681
Reimbursement to Other Agency (ie. training, health ins)	\$13,272
ITD Services Reimbursement	\$2,290
Equipment	\$102,596
IT Hardware	\$47,064
Other Expenses (i.e. retirement related, licenses, state aid)	\$23,396
Indirects (general overhead costs; i.e. DAS billing, Worker's Comp, IT services, Auditor's Ofc, departmental support staff, general postage)	\$1,253,653
TOTAL TRUST FUND EXPENDITURES	\$12,134,386

PUBLIC LAND – FUNDING AND PURPOSE

The overall mission of the DNR is to conserve and enhance our natural resources in cooperation with individuals and organizations to improve the quality of life for Iowans and ensure a legacy for future generations. Ensuring there are quality natural areas open for outdoor recreation and renewal is a vital component of this mission. The Natural Resource Commission (NRC), outdoor recreationists, and economic development and tourism proponents recognize that Iowa has one of the lowest percentages of public land of all states in the nation. The responsible and reasoned increase of Iowa's public land base is viewed as one of the wisest natural resource investments for current and future Iowans and visitors.

The state purchases specific types of land, on behalf of the citizens of Iowa, to manage and protect natural resources and to provide public outdoor recreational opportunities. Across Iowa, wetlands, forests, scenic areas, prairies, wildlife and fish habitat, access easements to trout streams, rare species habitat, and other resources are being protected and managed. Owners of Iowa land who want to secure the protection or use of the natural resource voluntarily donate land, participate in the easement program, or sell acres for that purpose. The DNR 1) only negotiates with willing landowners, 2) does not condemn land, and 3) has a policy of paying appraised value for easements and acquisitions. After land has been secured, development and management of these lands and waters are planned by professional wildlife biologists to sustain quality environments for all wildlife species.

Currently, over 91% of the state is in private ownership. Iowa ranks in the bottom five of all states in terms of the amount of public lands devoted to fish and wildlife oriented recreation and species protection. As a result, public wildlife lands in Iowa receive substantial user pressure, particularly during the first weeks of open hunting seasons, on weekends, and during holidays.

Recreation on natural areas is a significant economic anchor in Iowa. Hunters, anglers, and wildlife watchers spent \$974 million in retail sales in Iowa in 2006. Visits to Iowa's state and county lakes, parks, and trails translate to 50 million visits, supporting 27,400 jobs, and generating statewide spending of \$2.63 billion (Economic Value of Iowa's Natural Resources, ISU, Center for Agriculture and Rural Development, Dec 2007 www.iowadnr.gov/sustainablefunding/files/econ_study.pdf).

When reviewing natural areas for protection, goals considered are:

- To provide additional public outdoor recreation lands in response to increasing public demand
- To preserve or enhance unique irreplaceable archaeological, historical, or cultural features existing in Iowa land
- To enhance ecosystems and biodiversity on public areas
- To assist in solving environment concerns such as water quality
- To protect threatened and endangered species
- To enhance the natural quality and recreational potential of the land
- To enhance the public user base and its associated economic impacts
- To implement the Wildlife Action Plan's goals



Of the 35,756,390 total acres of Iowa's land, the DNR holds 355,774 acres in ownership for the public - less than 1%. These acres include state forests, parks and preserves that are not funded with Trust Fund dollars, as well as fish and game areas. The department also manages 130,000 acres under contract by other public agencies, mainly the U.S. Fish and Wildlife Service or U.S. Army Corps of Engineers. A cooperative management agreement between the DNR and the federal agency is developed for each management area.

Iowa's landscape has undergone significant alteration since settlement. The majority of native habitats have been converted to agricultural land. Wetlands have been drained, forests have been cut over, and prairies have been plowed for the purpose of producing domestic crops such as corn and soybeans. Attempts of landowners to convert some of these lands to agricultural production have not been successful for a variety of reasons, resulting in lands of marginal agricultural productivity. Approximately 40% of public lands managed by the DNR are classified as "highly erodible soils," warranting protection. Corn Suitability Rating (CSR) is an index procedure developed in Iowa to rate each different kind of soil for its potential row-crop productivity. A CSR of 85 is considered good for farming row crops. The average CSR of state lands managed by the department is 32.1.

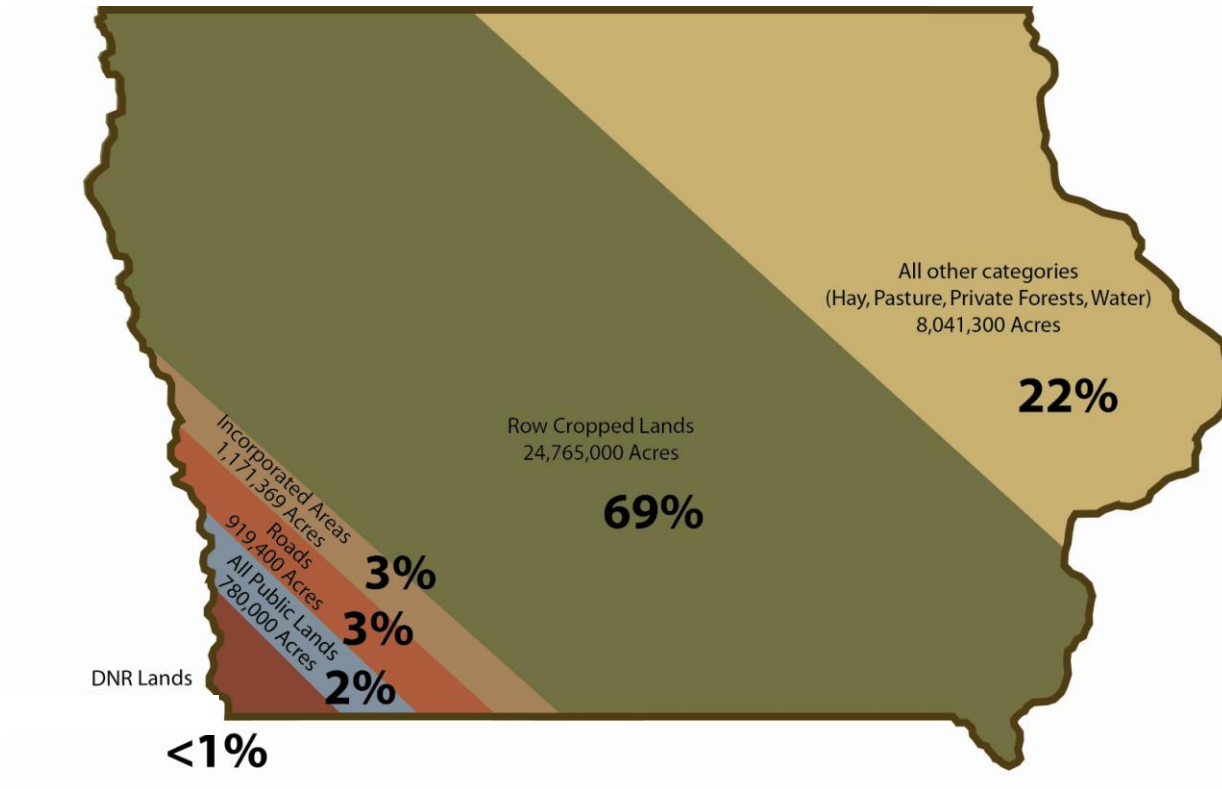
In addition to natural areas, DNR has identified some of these marginal agricultural lands as having potential for wetland restoration, prairie establishment, and reforestation. It is neither the DNR's goal, nor desire, to convert highly productive agricultural land to fish and wildlife habitat.

The DNR carefully identifies and prioritizes potential public land purchases based on the answers to six important questions: 1) Is it close to adjacent public lands or an in-holding? 2) Will it improve an existing wetland complex? 3) Is it adjacent to protected fish and wildlife complexes, whether public or private? 4) Does it contain unique habitats? 5) Is there wildlife diversity? 6) Is it close to a river or stream?

Several of the questions deal with the department's ability to effectively manage the area. However, the most important aspect is the biological value. Research indicates that the effects of habitat fragmentation are detrimental to many species of native wildlife, which require large blocks of intact habitat.

Of Iowa's total landscape, the department has less than 1% of the land and water acres of Iowa under protection. Two percent of Iowa's natural areas are owned by cities, counties, or the federal government. Roads represent 3% of Iowa's acres, and incorporated areas (cities and towns) represent another 3%. Agriculture lands represent over 91% of Iowa's acres. The following maps illustrate Iowa's land use.

Iowa's Land Use by Percentages



DNR Managed Public Land (identified by the colored patches)



Funding for Public Land

The department does not use general funds for land acquisitions. Federal funds are used for the permanent protection of wetlands and unique natural lands of marginal agricultural value through conservation easements, purchase of residual value, and acquisition. Each license dollar from the Trust Fund leverages these federal dollars. The DNR competes with other states for federal acquisition and easement funding sources. These funds would be given to other states if Iowa did not secure the grants and utilize them for the designated purposes. Sending federal dollars to another state, when each acre of public wildlife area annually generates \$402.00 in economic activity, is not in the public's best interest, and the citizens would lose significant dollars these natural areas generate. In this recovering national economy, Iowans will be recreating close to home, looking for additional opportunities outdoors, and will keep their money in Iowa if they have those opportunities.

Federal Funding (NAWCA, PPJV, WRP, SWG)

The **North American Wetlands Conservation Act (NAWCA)** provides federal funding that is critical for Iowa wetlands restoration and protection. NAWCA provides matching grants to organizations and individuals who have developed partnerships to carry out wetlands conservation projects in the United States, Canada, and Mexico for the benefit of wetlands-associated migratory birds and other wildlife. These competitive grant programs require that grant requests are matched by partner contributions at no less than a 1-to-1 ratio. Funds from other U.S. federal sources may contribute toward a project, but are not eligible as match. The department has cultivated national and local funding partnerships with organizations such as Ducks Unlimited, County Conservation Boards, Pheasants Forever, The Nature Conservancy, Iowa Natural Heritage Foundation, the US Fish and Wildlife Service, private foundations, and private individuals to facilitate grant success and project completion.

The department is authorized by the US Fish and Wildlife Service (USFWS) to negotiate for the acquisition of public lands in the **Prairie Pothole Joint Venture (PPJV)** region, located in north central and northwestern Iowa. This land is owned by the United States and managed by the Iowa DNR. To date, approximately 224,000 acres of Iowa public land has been secured utilizing the DNR / USFWS partnership.

The purpose of the PPJV priority areas is to guide decisions of the USFWS and DNR staff engaged in delivering the Waterfowl Production Area program. Conservation efforts are focused on locations with the greatest potential for developing ecologically functional landscapes capable of supporting waterfowl population goals set forth in the North American Waterfowl Management Plan (NAWMP) and the PPJV Implementation Plan. NAWMP goals center on developing wetland complexes, ensuring core areas are in permanent protection. Wetland conservation goals depend on the coordination of resources from multiple partners, both public and private. Building wetland complexes through broad partnerships takes many years of effective cooperation to achieve success.

One of the most important tools the federal and state agencies promote is the federal landowner incentive programs. The **Wetland Reserve Program (WRP)** is operated by the United States Department of Agriculture Natural Resource Conservation Service as a voluntary program for landowners desiring to restore and protect wetlands on their property through conservation easements. Landowners receive payments from the federal government for easements in order to place restored wetlands in a reserve status and landowners agree to implement wetland/wildlife restoration plans. The program's first priority is to develop wetlands that enhance habitat for migratory birds and other wildlife, and provide 50 to 100 percent federal cost sharing for re-establishment of wetlands vegetation and maintenance.

By developing a set of priority areas across the existing small and fragmented PPJV region, restoration activities are focused on improving wetland complexes; coordinating a broad number of activities, programs, and partners; and achieving landscape level habitat objectives. Priority areas are selected based on their potential to achieve federal objectives, and include social and economic factors as well as agricultural infrastructure to ensure the best chance for success.

Since 2002, Congress has annually appropriated funds for state nongame wildlife programs through the **State Wildlife Grants (SWG)** program. Money is awarded to each state on a formula basis, with a requirement of 1:1 match using state or other non-federal sources. SWG funds may be used only for projects relating to "species of greatest conservation need" identified in the Iowa Wildlife Action Plan.

The SWG program has allowed the Iowa Department of Natural Resources and its partners to accomplish much more for Iowa's natural resources than was possible before its inception. SWG is the nation's most important program in keeping species from becoming endangered. It has brought an average of \$775,000 a year (~\$7.75 million since 2001) into the state which has been matched in kind by the DNR and multiple partners. It has funded vital research, allowing our land managers to make the best science-based decisions for wildlife, and it has allowed better management on public lands.

User Fees

The **Wildlife Habitat Fee** is dedicated by Iowa Code for the permanent protection and development of wildlife habitat. Fifty percent of this revenue is available to county conservation boards through 75%/25% cost-share grants for habitat protection and development at the county level. The **State Migratory Game Bird Fee** (aka Duck Stamp) revenue is used for protecting and propagating migratory waterfowl and for the acquisition, development, restoration, maintenance, and preservation of wetlands. These fees are deposited into the Trust Fund to prevent any use except for the protection of wildlife habitat as outlined in Iowa Code 483A. These funds can only be used for the designated purposes of permanent land protection.

Resource Enhancement And Protection (REAP) – OPEN SPACES

The REAP Open Spaces fund, a percentage of the total REAP allocation to the DNR, specifically states that it is to be used for open space protection and for the development of parks and facilities. There are requirements within this fund that include a percentage for cost-sharing with private conservation organizations through the public/private grants program; a percentage for the Protected Waters Area program; and a percentage that pays local property tax.

The Open Spaces public/private grants program was developed to provide funds for public land acquisitions in partnership with private organizations. The cost-share grant provides 75% of the acquisition costs through Open Spaces, with the requirement that the other 25% comes from private contributions. This program provides an excellent opportunity for private conservation organizations to help the state protect natural areas and provide outdoor recreational opportunities.

Conservation Easement Program

There are many types of conservation easements including wetlands easements, angler access easements to trout streams, and forest and farm easements, to name a few. Conservation easements on private lands differ from public land acquisitions in as the general public usually does not have access to these private lands. Conservation easements are used to promote the personal desires of the landowner in protecting and improving water quality, wildlife habitat, and natural resources in general, while allowing owners to retain many private property rights and, at the same time, potentially provide them with tax benefits. Landowners voluntarily donate or sell easements as a legal means to protect and preserve land.

Conservation easements are one of the most powerful, and effective tools available for the conservation of private lands. Nationwide, their use has successfully protected millions of acres of wildlife habitat and open space, and hundreds of miles of rivers, all the while keeping property in private hands and generating significant public benefits. Often, some of the most ecologically significant lands and waters in the country are those found in rural and agricultural landscapes. Easements have been instrumental in preserving these landscapes - from family farms to working ranches and timberlands. As people struggle to keep family farms and ranches together in the face of steep rising taxes and unpredictable markets, conservation easements are often the tool of choice. In Iowa, easements have helped halt development across important landscapes such as the Loess Hills, while keeping family-run ranches and farms in business. Between 1992 and 1997, more than 11 million acres of rural land in the United States were converted to developed use.

Public benefits of conservation easements include:

- Protection of water quality
- Conservation of wildlife habitat
- Preservation of open space
- Preservation of farmland, ranchland, timberland
- Maintain character of rural communities
- Buffer public lands
- Maintain landscapes for tourism
- Require less in public services, generate more in local revenues



Conservation easements purchased in FY11 were for public access to trout streams.

Conservation Easements the Department Purchased in FY11:

AREA NAME	ACRES	FUND	COST
Maquoketa River	15.42	IJOBS	\$38,750
Spring Branch Creek	6.32	IJOBS	\$15,750
South Bear Creek	8.69	IJOBS	\$21,750
Upper Maquoketa River	40.46	IJOBS	\$101,250
TOTAL	70.89		\$177,500

Property Taxes

Unlike other public entities and property tax exempt organizations, the DNR pays property taxes on land acquired through REAP or Wildlife Habitat Fee funding. If one dollar of either of these funding sources is used for the purchase of land, the full property taxes are paid annually to the individual counties. For FY11, the DNR paid \$755,885 to counties on 86,474 acres of land eligible for payment. In addition, local governments receive Payments In Lieu of Taxes (PILT) from the federal government for land owned by the federal government, which helps offset losses in property taxes due to nontaxable federal lands within their boundaries.

Public Land Acquisitions

Public land includes uses such as habitat for game and non-game wildlife; upland and bluffland wildlife; waterfowl, shorebird protection, migratory birds, species of greatest concern; wetlands and wetland restoration; prairie, grassland, and timber habitats; water quality, Bird Conservation Areas; public access; and

public recreation. The following is a line item accounting of public land purchases with identified funding sources.

FY11 PUBLIC LAND ACQUISITIONS						
PROJECT NAME	ACRES	FUND	FEDERAL	TRUST FUND	OTHER	TOTAL
Artesian Lake WMA	54	I-JOBS			\$55,500	\$55,500
Barkley State Forest	100	REAP			\$259,000	\$259,000
Boone Forks WMA	10	REAP-PWA			\$27,250	\$27,250
Cayler Prairie WMA	309.8	NAWCA	\$349,000			\$349,000
Cedar River WMA	43.7	I-JOBS			\$43,000	\$43,000
Clear Creek WMA	140	PR - REAP	\$273,000		\$91,000	\$364,000
Colo Bogs Wetlands	66	NAWCA	\$81,000			\$81,000
Cottonwood Banks WMA	227.6	I-JOBS			\$222,858	\$222,858
French Creek WMA	222.7	I-JOBS - WHF		\$50,114	\$506,711	\$556,825
Gilbertson WMA	174	I-JOBS			\$178,000	\$178,000
Goshen WMA	214	I-JOBS			\$214,000	\$214,000
Goshen WMA	194	I-JOBS			\$194,000	\$194,000
Jemmerson Slough WMA	40.2	NAWCA	\$61,784			\$61,784
Kellerton BCA	83	SWG-WHF	\$79,000	\$79,000		\$158,000
Lake Sugema WMA	116	REAP - WHF		\$61,250	\$183,750	\$245,000
Lansing WMA	30	SWG-WHF	\$32,250	\$32,250		\$64,500
Middle Raccoon River	11	REAP-PWA			\$24,750	\$24,750
OS Wing WMA	502	NAWCA - WHF	\$213,500	\$213,500		\$427,000
Pickerel Lake WMA	160	NAWCA	\$182,000			\$182,000
Praire Rose State Park	77	LR			\$340,000	\$340,000
Ram Hollow WMA	315.4	PR - REAP - NAWCA	\$828,000	\$220,800	\$55,200	\$1,104,000
Ringgold WMA	192	REAP - SWG	\$124,000		\$190,000	\$314,000
Rubio Access WMA	287	I-JOBS			\$287,199	\$287,199
Ryan Lake WMA	5	WHF		\$20,000		\$20,000
Table Marsh WMA	68.4	NAWCA - WHF	\$32,500	\$32,500		\$65,000
Turtle Bend WMA	16.7	I-JOBS			\$13,000	\$13,000
Turtle Bend WMA	106.7	I-JOBS			\$116,000	\$116,000
Turtle Bend WMA	94	I-JOBS			\$93,942	\$93,942
Waterman Creek Prairie	143.9	REAP			\$221,250	\$221,250
West Lake Okoboiji	90	LR - NAWCA - REAP	\$150,000		\$328,000	\$478,000
TOTALS			\$3,035,825	\$1,025,514	\$2,139,786	\$6,201,125

FUNDING SOURCE KEY:

REAP = State Resource Enhancement And Protection (OS-Open Spaces, LP-License Plate, PW-Protected Waters, P/PM-Public/Private Match)

WHF = State Wildlife Habitat Fee: IA Code 483A.3 requires proceeds to be designated for the permanent protection and development of habitat. This funding is used as cost share to acquire federal funding (NAWCA, PR, SWG).

LR = State Lake Restoration

I-JOBS = State Appropriation

NAWCA = Federal North American Wetlands Conservation Act

PR = Federal Pittman-Robertson

SWG = Federal State Wildlife Grant

TRUST FUND = Fish and Game Trust Fund (License Fees): IA Constitution, Article 7, Section 9 directs all revenue to be used for the regulation or advancement of hunting, fishing, or trapping, or the protection, propagation, restoration, management, or harvest of fish or wildlife, and the for the performance and administration of activities related to those purposes. This funding is used as cost share to acquire federal funding (i.e. US Fish and Wildlife Service (USFWS), State Wildlife Grant (SWG), Clean Vessel Act (CVA), Wildlife Conservation and Restoration Program (WCRP)).

Agricultural Land Leases

Maintaining a portion of public land in agricultural production is a cost effective and efficient way of achieving wildlife habitat goals and objectives. Most of Iowa's native wildlife species have adapted to agriculture and are now dependent upon agricultural crops for food and cover at some point during their life cycle (i.e. deer, pheasant, quail, meadowlark, songbirds, and several furbearers).

The Wildlife Bureau manages approximately 40,000 acres of leased agricultural land. About 10% is left unharvested for wildlife management purposes (i.e. food plots). The other acres are managed for habitat. Wildlife habitat management goals for these agricultural lands differ by area, but generally include: 1) the provision of food, winter cover, and nesting cover, 2) the control of natural succession and annual weeds, 3) lure crops to help reduce wildlife depredation on adjacent private lands, 4) soil preparation for permanent seedings, 5) attracting wildlife to public hunting areas for improved hunting opportunities, 6) demonstrating successful wildlife management on farmed lands to private producers, and 7) providing limited farming opportunities for area producers.

1. Provision of Food, Winter Cover, & Nesting Cover

Most of Iowa's native wildlife species have adapted to agriculture and are now dependent upon agricultural crops at some point during their life cycle. Species such as deer, pheasant, quail, dickcissel, meadowlark, goldfinch, and several furbearers extensively utilize agricultural crops, small grains, and introduced grasses and legumes as food and cover.

From a historical perspective, the landscape of Iowa has changed dramatically over the past 30 to 40 years. Smaller farms that utilized crop rotations of corn, small grains, and alfalfa have been replaced by larger farms, which now utilize corn and soybean rotation. Certain areas such as wetlands, fencerows, and groves have been removed and converted to agricultural production. These areas, that once served as winter cover and nesting cover, are no longer available to wildlife. Likewise, crop fields are now fall plowed and tilled providing very little waste grain needed by wildlife during winter months. This loss of landscape diversity has been detrimental to many wildlife species in the state.

DNR management of croplands is designed to provide small grains and grasses and a consistent food source that will be available to wildlife during critical times. DNR croplands are managed on long term rotations which incorporate small grains, grasses, and row crops. Each public wildlife area is evaluated and planned to provide food and cover in relation to available habitat on surrounding private lands.

Depending on the wildlife needs identified, crop lands may have greater amounts of introduced grasses if nesting cover has been identified as a limiting factor. Conversely, croplands on public wildlife areas may have larger amounts of corn and sorghum if food has been identified as a limiting factor. Farming practices on these lands are designed to favor wildlife and include delayed mowing of hay and grasses until late in the nesting, provisions that all or a portion of all grain crops be left standing during winter months, and the elimination of fall tillage to ensure that waste grain exists on harvested cropland. Research has shown that this type of management favors Iowa's native wildlife and is important to their survival.



2. Control of Natural Succession and Annual Weeds

Several public wildlife areas managed by the DNR include marginal lands located in floodplain settings that are subject to flooding. Areas such as these, which are frequented by annual disturbance, will become vegetated by natural succession in the form of annual weeds and early successional species such as willow and cottonwood. Depending on wildlife habitat needs and frequency of disturbance, these areas may be allowed to succeed naturally, planted to permanent woody or herbaceous species, or maintained in agricultural production using crops with short maturation periods. Cropping of floodplain lands is particularly common on areas which experience frequent spring time flooding, making it difficult to establish permanent seedlings. Natural succession has limited applicability, other than in remote areas, because of annual weeds that generally dominate the area. An effective alternative is the use of short duration corn or small grains which helps to control annual weeds and succession, and more importantly provides a wildlife food source.

3. Provide Lure Crops to Reduce Crop Depredation

Certain wildlife populations are increasing in numbers as a result of favorable habitat and environmental conditions. Most notably, deer and Canada geese populations have grown rapidly over the past several years. The results are “hotspots” around the state in which producers experience crop depredation from large concentrations of these species. Where possible, DNR biologists will plant row crops, legumes, and small grains with the goal of attracting these wildlife populations to DNR lands and therefore reducing crop losses on adjacent private lands.

4. Prepare Soil for Permanent Seedings

Native grasses and other permanent seedings are an important component of public wildlife areas. As new lands are acquired, portions of former cropland are converted to native grasses. DNR biologists have found that areas planted to soybeans provide an excellent seed bed for establishing native grasses the following spring. The use of soybeans in the rotation creates a mellow planting medium which is more cost effective than conventional seeding methods that require tillage and the use of herbicides.

5. Attract Wildlife to Public Areas

Most of Iowa's hunted game species have adapted to agriculture and utilize row crops such as corn, soybeans, and legumes as food sources. The establishment of these crops attracts wildlife to public areas and improves hunting success. Surveys have shown that both resident and non-resident hunters expect to find agricultural crops on public wildlife areas expressly for the reasons cited above. Wildlife harvest is a primary goal of the DNR. Recent estimates from the 2006 National survey of Fishing, Hunting and Wildlife Associated Recreation indicates that hunting generates over \$228 million to the Iowa economy annually. Wildlife viewing contributes an additional \$284 million annually.

6. Demonstrate Successful Wildlife Management to Private Producers

DNR lands are managed through long term rotations with the goals of providing habitat while at the same time conserving soil and water. Contour farming, the use of grass strips instead of terraces, and farming practices that favor wildlife serve as demonstration areas for area producers that are interested in producing wildlife on their own lands. DNR biologists hold tours in cooperation with NRCS personnel to help promote these techniques and to encourage this type of land stewardship.

7. Provide Limited Farming Opportunities

The large majority of agricultural lands on DNR areas are farmed through crop leases with neighboring producers. In following the Department of Administrative Services rules, leases are administered through competitive bids allowing equal and fair opportunity for anyone wishing to farm these lands. Leasing of these lands is necessary and effective in that they allow wise use of staff time and reduce equipment costs. At the same time it provides opportunities for area producers to realize additional income. Cooperators are required to farm according to a DNR management plan which emphasizes wildlife habitat enhancement, but also allows them to harvest a portion of the crop. Income from this effort provides additional revenue for cooperators and helps to offset management costs incurred by the DNR.

Some leases are in areas that have a high risk of flooding and are fields that are ineligible for crop insurance. In those areas, the DNR relies on tenants to carry out management practices, such as the planting of food plots. In order to secure tenants for these areas, tenants are given the lease option, with DNR approval, of relinquishing crops on a field by field basis. This means, if flooding occurs, the crops become the property of the DNR (and the rent payment is no longer due). If flooding does not occur, the tenant retains the crop and pays the department. In areas where this is allowed (i.e. U.S. Army Corps flood control reservoir areas), the leases contain an addendum that includes a relinquishment clause. **Department policy does not allow this exception for lease agreements in non-flood prone areas.** This program benefits the producer, the department, and wildlife resources.

The crop income from the federally owned property the department manages must be reinvested on that land in accordance with the management agreements between the federal agency (i.e.: U.S. Army Corps of Engineers) and the DNR.

Through calendar year 2010, the Wildlife Bureau managed 456 agricultural leases covering approximately 39,330 acres of land. About 40% of these acres were planted to row crops (corn, soybeans) with 10% of the acres left unharvested to serve as food plots. Agricultural lease income is calculated on a calendar year to correspond with farming practices.

Agricultural Land Lease Income - Crop Year 2010	
Land Type	Income to Trust Fund (Wildlife Ag Leased Areas)
State Public Owned (DNR managed)	\$1,047,863.65
Federally Owned (DNR managed)	\$413,155.68

TRUST FUND – FISCAL RESPONSIBILITY

Appropriate Use of Trust Funds – Rules and Legislation

Federal and state laws, and accompanying administrative rules, determine how Trust Fund dollars may be used. The Federal Wildlife Act, Fish Restoration Projects Act, and state laws require that funds accruing to the state of Iowa from license fees paid by hunters and anglers shall be expended solely in carrying out fish and wildlife activities, including an equitable portion to be allotted for administration. The Fish and Game Protection Fund (Trust Fund) amendment to the Iowa Constitution expands on the language and states all revenue from license fees and related sources shall be used exclusively for the regulation or advancement of hunting, fishing, or trapping, or the propagation, restoration, management, or harvest of fish or wildlife.

The appropriate use of the Trust Fund dollars is closely monitored at the agency level within the DNR, at the state level by the Office of the Auditor of State, and at the federal level by the US Fish and Wildlife Service (USFWS). In addition, stakeholders (interested hunters, anglers, and legislators) are engaged and provide input in how these funds should be used.

The department's federal aid coordinator for the Trust Fund works closely with an executive officer from the Fisheries Bureau and an executive officer from the Wildlife Bureau to ensure all federal requirements for expenditure of the funds are met. All three staff members are trained and knowledgeable about the appropriate use of these federal funds and have a close working relationship with the regional USFWS staff who administers the funding programs. An example of this accountability occurred when the department's Help Us Stop Hunger (HUSH) program was instituted. A lengthy consultation was held to make sure all elements of the program and expenditure of the HUSH funds met the federal and state requirements regulating the appropriate use of Trust Fund dollars.

In addition to this focus at the staff level, the DNR Budget and Finance Chief closely reviews and certifies all federal financial status reports as well as the annual budget, which is submitted to the Department of Management by law.

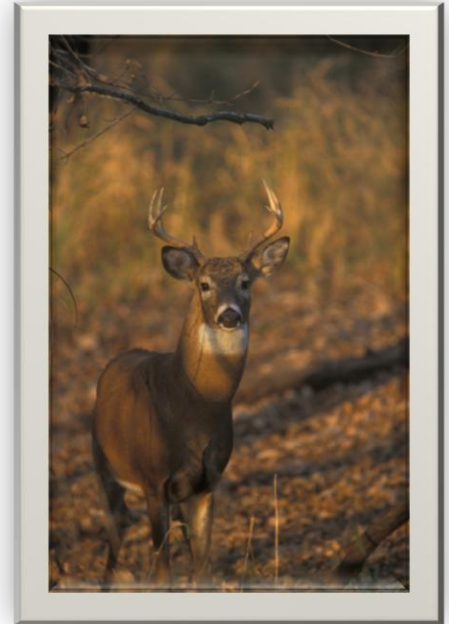
An annual financial audit is conducted by the Office of Auditor of State on all funds within the DNR. Additionally, the U.S. Department of Interior, Office of Inspector General (OIG), performs an audit every 3-5 years on the Sport Fish and Wildlife Restoration Programs which are administered by the USFWS. The objectives of the audit are to determine whether (1), costs claimed under the grant programs were reasonable and allowable under the laws, regulations, policies, and guidelines of the Federal Restoration program and provisions of the grant agreements; and (2), the grant programs were operated in accordance with applicable requirements, including those related to the collection and use of state hunting and fishing license revenues and the reporting of program income. If these audits uncover diversion of funds, which is the inappropriate use of Trust Fund dollars, the federal monies in question must be returned to the USFWS.

The department's diligence in this process has resulted in an exemplary reputation with the federal agencies. In addition to the regulation of hunting and angling license generated fees as described above, there are several other sources of revenue in the Trust Fund that are guided by other regulations. The ATV and snowmobile registration fees must be used for ATV and snowmobile related activities and the boat registration fees must be used for 1) navigation and recreational boating safety related activities, and 2) for the regulation and control of aquatic invasive species.

Trust Fund Revenue Sources

The Trust Fund is complex in the varied sources of revenue and the specialized use of the funds that come into the Trust Fund. Revenue sources include:

- **General Hunting and Fishing License Fees:** This category includes all hunting and fishing licenses, deer and turkey permits, commercial fishing licenses, and several miscellaneous licenses such as private fish hatchery licenses and bait dealer licenses. Fish and Game Trust Fund (License Fees): IA Constitution, Article 7, Section 9 directs all revenue to be used for the regulation or advancement of hunting, fishing, or trapping, or the protection, propagation, restoration, management, or harvest of fish or wildlife, and the for the performance and administration of activities related to those purposes. This funding is used as cost share to acquire federal funding (i.e. US Fish and Wildlife Service (USFWS), State Wildlife Grant (SWG), Clean Vessel Act (CVA), Wildlife Conservation and Restoration Program (WCRP)).
- **Wildlife Habitat Fee:** In addition to a license, hunters and trappers also pay a Wildlife Habitat Fee (WHF). Proceeds from the stamps are designated for the permanent protection and development of wildlife habitat. Fifty percent of the Wildlife Habitat Fee revenue is available to county conservation boards through 75%/25% cost-share grants for habitat protection and development at the county level. Iowa Code 483A.3B establishes a special use of part of the WHF; \$2 shall be allocated to game bird wetlands and \$1 shall be allocated for game bird buffer strip improvements. The funds for these two purposes are allowed to accumulate to maximize the leveraging of federal and other dollars for appropriate projects.
- **Fish Habitat Development Fund:** Three dollars of every Season and 7-Day fishing license is dedicated to fish habitat improvement. Fifty percent of this revenue is made available to county conservation boards through 90%/10% cost share grants.
- **State Migratory Game Bird Fee** (aka Duck Stamp): The revenue from this fee is used for protecting and propagating migratory waterfowl and for the acquisition, development, restoration, maintenance, and preservation of wetlands. Fifteen percent is made available to Ducks Unlimited for Canada projects because that habitat is critical to successful Iowa migratory waterfowl hunting.
- **Trout Stamp:** The revenue from this stamp is used exclusively to stock Iowa's trout streams.
- **Nongame Check Off:** An income tax check off for nongame programs has been established, with a policy of using all funds for the purposes of preserving, protecting, perpetuating and enhancing nongame wildlife in Iowa.
- **Pittman-Robertson Wildlife Restoration Federal Aid (PR):** This revenue is derived from an 11% federal excise tax on hunting arms and ammunition. It is apportioned by the US Fish and Wildlife Service (USFWS) to states using a formula based on land area and number of **paid** hunting licenses issued. PR aid must be matched on a 75% federal/25% state basis. Projects may include wildlife area



operations, wildlife research, permanent land protection, and wildlife habitat development. All projects must be approved by the USFWS.

- **Dingell-Johnson Fisheries Federal Aid (DJ):** This revenue is collected through a 10% federal excise tax on fishing equipment and is distributed to states on a formula based on land size and number of paid fishing licenses issued. In 1984, the Wallop-Breaux Amendment expanded the Dingell-Johnson program. The original excise tax was expanded to cover imported fishing gear, boats, and motors. The Dingell-Johnson program funds fisheries related research, management of fish culture, habitat acquisition, and development. It can also be used for hatchery construction, aquatic education, boating access, fisheries management, operations, and capitals. A minimum of 15% must be spent on boat access.
- **Agricultural Lease Income:** This revenue results from crop plantings related to wildlife management.
- **Boat Registration Fees:** Registration fees are collected from Iowa boaters according to a formula in Iowa Code. These user fees are deposited into the Trust Fund and are guided by Iowa Code as to how this money can be used. An annual Boat Registration Fees Report is created by the DNR which provides comprehensive information about these fees and their use.
- **Hunter Safety Federal Aid:** The Trust Fund receives federal aid specifically for hunter safety from a federal excise tax on small arms and ammunition at a set rate determined by formula.
- **Miscellaneous Sources of Revenue:** These include sources such as liquidated damages resulting from legal judgments for poaching and other illegal activities; controlled hunting fees from areas where waterfowl hunter numbers are too high for safety and the area has designated hunting spots; Ducks Unlimited Marsh Program match; interest on the Trust Fund; ATV / Snowmobile transfer funds; timber sales on wildlife areas; concession income from shooting ranges; fish restitution from fish kills; sale of used equipment; sale of publications; and commercial fishing contracts.



REVENUE SOURCES

The following line item accounting details revenue collected for the Trust Fund. A significant amount of line one, Balance Forward, represents unspent federal funds, including FEMA.

FISH AND GAME TRUST FUND – REVENUE FY11	
Balance Forward from FY10	\$17,362,884
Federal Funds	\$16,063,081
Boat Registration Funds (year 1 of three-year cycle)	\$899,714
Snowmobile Fund Transfer (used to support specific law enforcement and safety programs)	\$100,000
ATV Fund Transfer (used to support specific law enforcement and safety programs)	\$100,000
Other Transferred Funds (i.e. FEMA, grants, other agency payments for projects)	\$1,338,058
Interest Income	\$58,493
Deer License Tag Fees	\$10,763,357
Turkey License Tag Fees	\$1,098,672
Duck Stamp Fees	\$275,043
Hunting and Fishing License Fees	\$12,241,846
Other License Fees (i.e. fees for commercial fishers, bait dealers, etc.)	\$70,925
Controlled Hunting (fees for areas with limited hunting spots for safety reasons)	\$14,140
Sale of Various Habitat Stamps in Wallace Building	\$4,033
Trout Stamp Fees	\$483,530
Fish Habitat Fees	\$1,101,198
Nongame Certificates	-\$25
Wildlife Habitat Stamp Fees	\$2,324,824
Non-federal Cost Share Funds for Projects	\$198,879
Sale of Used Equipment	\$1,041
Boat Dock Registration Fees	\$176,807
Sale of Lumber and Hay	\$43,548
Leased Land Income	\$1,191,918
Prairie Seed Sales	\$0
Sale Of Publications	\$1,190
Cash Contributions for Projects	\$215,454
Prairie Habitat Checkoff	\$136,380
Chickadee Checkoff	\$126,669
Miscellaneous (i.e. concession income from shooting ranges; fish restitution from fish kills)	\$306,737
Liquidated Damages from Illegal Activities	\$282,974
Total Trust Fund Revenue and Balance Forward	\$66,981,370

Budget Planning

Like any budget, both short term and long term planning must occur for the Trust Fund to remain solvent. It takes approximately \$3,000,000 per month to meet the Trust Fund's expenses.

Licenses and related fees are only received at certain times of the year, and sales are weather dependent. Federal funds are received quarterly and, in some instances, must be processed as reimbursements for projects that the Trust Fund "carried" for a period of time.

Boat registration fees are received in a three year cycle. The first year of the cycle is the largest amount (FY10 \$6.3 million). The second year will be significantly less (FY11 estimated amount is \$1 million), and the third year is estimated to be about half of year two (FY12 estimate is \$600,000). The department must average the three years of revenue to meet annual expenses and provide the services as outlined in Iowa Code.

Unlike other bureaus funded with state General Funds, the Trust Fund must absorb expenses for automatic salary increases negotiated by the unions, costs of retirement benefits, and insurance payout programs for Trust Fund staff.

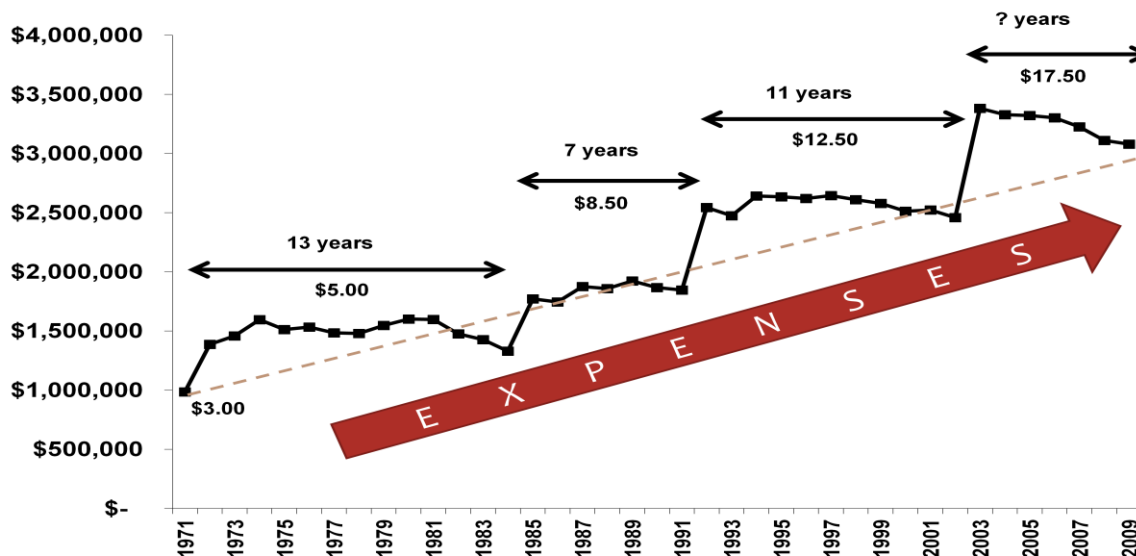
The Trust Fund must be able "cash flow" operations and projects at \$3,000,000 per month throughout the entire year, despite the fluctuating revenue into the Trust Fund during that year. A **balance forward** establishes a method to pay ongoing expenses when, throughout the year, each month does not provide a stable income.

Another critical factor affecting the need for a balance forward is that, over time, the Trust Fund is subject to the "Law of Diminishing Returns"; certain revenue sources remain the same while the cost of doing business increases with inflation. License fees are set by the Iowa Legislature and, historically, have been increased in spans ranging from 7 to 11 years. When fees have been increased, they do not account for inflation over the previous years or for subsequent years, and the cost of doing business surpasses the revenue source.

The Trust Fund may appear to have a large balance forward in a particular year due to the large influx of year one of the Boat Registration Fees, fewer retirements (which are unpredictable), events that preclude spending for specific maintenance or construction projects, or an extraordinary year in license sales. However, the future modeling of the fund anticipates the Trust Fund as having a negative balance by the end of FY15 due to the factors mentioned above, even if budgets are not increased and programs are held to current spending levels.

The chart below illustrates the Law of Diminishing Returns. The interaction of the increasing expense of doing business over time due to inflation is represented by the broken line and revenue is presented by the solid line. Horizontal arrowed lines indicate the milestones where Iowa resident license fees were intermittently raised. With an unpredictable revenue source and inflation, budgets become a challenge to predict and manage. A substantial balance forward is needed to maintain stability and meet the needs of basic operations.

Law of Diminishing Returns – Effect of Inflation on Hunting License Revenue



OPERATIONS AND CAPITALS

Trust Fund expenses are broken down into two main categories: operations and capitals.

Operations include all the expenses expected for day-to-day activities such as: salaries and benefits, annual salary cost of living increases, supplies, vehicles, overhead costs (such as department support services, office space, phones, and internet access), equipment (ranging from computers to tractors and heavy-duty mowers), and travel expenses. The FY11 Trust Fund operations expenditure was \$38,347,294.

Each year, the legislature authorizes a spending limit (aka “cap”) for operation expenditures that cannot be exceeded by the Trust Fund. However, there is a process to receive approval for additional expenditures beyond the authorized cap if additional money comes to the department after the close of the legislative session. An example that occurs frequently is when federal funding for specific new programs is allocated to the Trust Fund after the end of session. Federal funds are often offered with a “use it now or lose it now” caveat, so the department goes through the process of asking for the cap to be raised so the state can receive the benefit of new federal dollars.

To assist in budget management, the Standings Appropriations Bill has contained the following language to allow the operations cap to be raised for the automatic salary step increases and the negotiated cost of living increases in the Trust Fund bureaus: “To departmental revolving, trust, or special funds, except for the primary road fund or the road use tax fund, for which the general assembly has established an operating budget, a supplemental expenditure authorization is provided, unless otherwise provided, in an amount necessary to fund salary adjustments as otherwise provided in this division of this Act.” This meant the authorized cap was automatically raised by the required salary adjustment amount as determined by the Department of Management, maintaining a status quo operations budget.

However, in FY11, the decision was made to maintain a status quo cap and the FY12 budget was developed to absorb the salary adjustments by reducing programs and staff by approximately \$1.2 million. When the Trust

Fund bureaus reduced certain seasonal help impacting popular programs, constituents asked legislators to increase the operations cap through legislation, and this was done.

A part of the operations budget includes the employees supported by the Trust Fund. Detailed staff breakdowns are provided in FTE and Position Descriptions of each Trust Fund operational unit in this report.

Fy11 STAFFING FOR TRUST FUND OPERATIONAL UNITS

FTE (Full Time Equivalent positions)	330.50
Seasonal (Part Time positions)	60.68

Detailed budget breakdowns are provided in the Line Item Accounting of Revenue and Expenditures of each Trust Fund operational unit in this report.

FY11 TRUST FUND OPERATIONS EXPENDITURES	
Conservation and Recreation Division (management)	\$1,059,067
Fisheries Bureau	\$10,672,470
Wildlife Bureau	\$14,481,371
Law Enforcement Bureau	\$12,134,386
TOTAL EXPENDITURES	\$38,347,294

Capitals include infrastructure projects such as dikes, levies, roads, buildings; land easements and acquisitions; FEMA repair projects; public use facilities (i.e. shooting ranges); and minor repairs or small projects. The FY11 capitals expenditure was \$10,392,096. This was significantly lower than budgeted due to the challenge of getting FEMA projects completed, staffing gaps in the Engineering and Construction Bureau, and the Missouri River flooding.

The capitals budget also includes unpredictable, one-time expenses for tracking purposes. For instance, Law Enforcement retirements are allowed by Iowa Code to be included in the capitals budget. Conservation Officers are included in the State Police Officer Council (SPOC) union, and each individual retirement payout can be quite large, depending on the years of service. Retirement dates, by law, cannot be required of employees, making it an unpredictable expense. If a large number of unexpected retirements occur and therefore, are partially or wholly unbudgeted, the flexibility of using the capitals budget allows the department to cut back on projects instead of resorting to drastic measures within the operations budgets. Retirement costs under the Fisheries and Wildlife Bureaus are easier to predict and are budgeted under the legislatively authorized Trust Fund operations cap.

There are other types of line items found in the capital budget that provide an accounting for expenditures, such as one time federal research grants for specific projects, and variable costs associated with the Trust Fund, such as pass-through electronic licensing costs.

The Trust Fund bureaus work together very closely to ensure that **the important work of all three bureaus is balanced when building the operations and capitals budgets**. The Conservation and Recreation Division management team, including the bureau chiefs of Wildlife, Fisheries, and Law Enforcement, and the

department's Bureau of Budget and Finance, represent years of experience and training in making sure this important, and volatile, fund is appropriately balanced so it remains healthy and sustainable.

Capital Expenditures

The following is a line item accounting of capital expenditures for the Trust Fund.

FY11 TRUST FUND CAPITAL EXPENDITURES

FUNDING SOURCE – <u>WILDLIFE HABITAT FEE</u>: IA Code 483A.3 requires hunters and trappers to purchase a Wildlife Habitat Fee. Proceeds from the fees are designated for the permanent protection and development of habitat. Fifty percent of the Wildlife Habitat Stamp revenue is available to counties or public agencies on a cost-share basis, up to 75%/25%, for habitat protection and development at the county level. This funding is used as cost share to acquire federal funding (NAWCA, PR, SWG).					
EXPENDITURE DESCRIPTION	PURPOSE	FEDERAL	TRUST FUND	OTHER	TOTAL EXPENSE
Federal: North American Wetlands Conservation Act (NAWCA) and Ducks Unlimited (DU) Grant	Federal cost share for migratory bird habitat for wetlands and associated uplands	\$1,579,516	\$253,964	\$2,700	\$1,836,180
Federal: State Wildlife Grant (SWG)	Federal cost share for land protection re woodland species of greatest concern	\$113,628	\$113,628		\$227,255
County Cost Share Program	State pass through funds to counties for wildlife management and habitat, and public access		\$1,240,476		\$1,240,476
Wildlife Habitat Projects	Land for the management of wildlife, habitat, and public access, and related incidentals (closing costs, appraisal fees,)	\$665,435	\$367,891		\$1,033,326
Property Taxes	Property taxes for land purchased with Wildlife Habitat Fee funds is subject to property tax (Iowa Code 483A.3)		\$259,574		\$259,574
WILDLIFE HABITAT FEE EXPENDITURE TOTALS		\$2,358,579	\$2,235,533	\$2,700	\$4,596,811

FUNDING SOURCE - <u>STATE MIGRATORY GAME BIRD FEE (aka Duck Stamp)</u>: IA Code 484A identifies revenue from the Migratory Game Bird Fee to be used for the purpose of protecting and propagating migratory game birds and for the acquisition, development, restoration, maintenance or preservation of wetlands					
EXPENDITURE DESCRIPTION	PURPOSE	FEDERAL	TRUST FUND	OTHER	TOTAL EXPENSE
Ducks Unlimited - Partnership Projects	Waterfowl wetland enhancement projects (i.e. PPJV, EPA319, NAWCA projects)		\$203,079		\$203,079
Waterfowl Wetland Enhancement	Wetland enhancement / water control structures replacement		\$2,340		\$2,340
STATE MIGRATORY GAME BIRD FEE EXPENDITURE TOTALS		\$0	\$205,419	\$0	\$205,419

FUNDING SOURCE – FISH HABITAT DEVELOPMENT FUND: IA Code 483A.3A requires three dollars from each resident and nonresident annual and seven-day fishing license sold shall be used for fish habitat development. Not less than fifty percent of this amount is made available to county conservation boards on a 90%-10% cost share basis.					
EXPENDITURE DESCRIPTION	PURPOSE	FEDERAL	TRUST FUND	OTHER	TOTAL EXPENSE
County Cost Share Program	State pass through funds to counties for fish habitat improvement		\$250,236		\$250,236
Decorah Fish Hatchery	Construction of a new well and pump system for the hatchery		\$200		\$200
Red Rock Lake	Reef construction for additional habitat		\$79,827		\$79,827
Hawthorne Lake	Restoration of Hawthorne Lake a shallow water lake improvement		\$171,131		\$171,131
FISH HABITAT DEVELOPMENT FUND EXPENDITURE TOTALS		\$0	\$501,394	\$0	\$501,394

FUNDING SOURCE – FISH AND GAME TRUST FUND (LICENSE FEES): IA Constitution, Article 7, Section 9 directs all revenue from state license fees for hunting, fishing, and trapping, and all state funds appropriated for, and federal or private funds received by the state for, the regulation or advancement of hunting , fishing, or trapping, or the protection, propagation, restoration, management, or harvest of fish or wildlife, shall be used exclusively for the performance and administration of activities related to those purposes (IA Codes 456A.17, 456A.19, 456A.27). This funding is used as cost share to acquire federal funding (i.e. USFWS, SWG, CVA, WCRP, 319EPA, FEMA).					
EXPENDITURE DESCRIPTION	PURPOSE	FEDERAL	TRUST FUND	OTHER	TOTAL EXPENSE
Federal Grant: pass through funds	Federal pass through to City of Guttenberg for a Boating Infrastructure Grant	\$136,417			\$136,417
Federal Clean Vessel Act (CVA) Grant: pass through funds	Federal pass through to Coralville Scale Point Marina for pump out facility for holding tanks and boats	\$29,566			\$29,566
Federal: State Wildlife Grant (SWG)	Federal pass through to landowners to create early successional habitat in the Driftless Region; tree planting, timber stand improvement, edge feathering	\$22,008			\$22,008
Federal: State Wildlife Grants (SWG)	Federal pass through to ISU for research: on patch burn grazing and affect on species of greatest concern; vegetation diversity and affects on bird community; high priority of species of greatest concern in wadeable streams; high priority of species of greatest concern in non-wadeable streams; and to develop survey protocol for secretive marsh birds (i.e. rails, soras, moorhens)	\$68,789			\$68,789
Ruffed Grouse Habitat	Funds used for the restoration of habitat for the ruffed grouse			\$8,280	\$8,280

WCRP and EWRP Projects Statewide	Federal pass through for wetland restoration and associated non-federal incidental costs	\$413,238	\$902		\$414,140
Federal: 319 EPA Wetlands Restoration	Federal pass through for water quality improvement practices through wetland restoration and reforestation of riparian areas in the Prairie Pothole region and Eastern Iowa	\$45,771			\$45,771
USFWS Federal Grant: pass through for the Landowner Incentive Program (LIP)	Federal pass through to landowners to cost share in creating habitat for species of greatest concern		\$925		\$925
State pass through to IA Dept of Agriculture for Fish Kill Improvements	Iowa fish restitution funds passed through to the IDALS for mitigation work on or near damaged area		\$6,388		\$6,388
Habitat Checkoff pass through	State pass through to landowners for habitat creation using seeds or plugs			\$114,485	\$114,485
Federal Emergency Management Agency (FEMA)	Federal assistance for 2008 flood damage, 2010 ice damage, and extended FEMA projects		-\$48,419	\$743,305	\$694,886
Payment to Turn In Poachers (TIP)	State pass through to TIP board of directors for donations collected		\$6,870		\$6,870
Harvest Reporting System	State pass through funds providing electronic harvest reporting		\$170,598		\$170,598
Help Us Stop Hunger (HUSH)	State pass through costs to venison processing lockers, Food Bank of Iowa, and service for printed materials (i.e. invoices, hunter confirmation cards)		\$511,928		\$511,928
Electronic Licensing Development	State pass through funds providing the public electronic access to Trust Fund licensing		\$1,571,116		\$1,571,116
Statewide	Engineering design fees for outside consultants		\$66,988		\$66,988
Statewide	Fish & Wildlife Service National Survey		\$62,636		\$62,636
Statewide	Miscellaneous projects and expenses		\$350		\$350
Jetties/Piers Projects	Construction and repair of fishing jetties	\$90,000			\$90,000
Lake Ahquabi State Park	Construction of extra vehicle parking area at the main boat ramp within the state park	\$88,235	\$88,235		\$176,470
South Pine and French Creeks	Bank stabilization on both creeks	\$2,715			\$2,715
Big Creek Hatchery	Archeological Investigation for a potential future hatchery development		\$8,848		\$8,848
Wildlife and Fisheries Land Related Incidentals	Land related incidental costs (closing costs, appraisal and survey fees, property taxes)		\$16,292		\$16,292

Maintenance & Emergency Repairs	Minor repairs and regular maintenance for infrastructure		\$229,891		\$229,891
Timber Stand Improvements	Timber stand Improvement work on wildlife areas to improve wildlife species		\$71,151		\$71,151
Wetland Development, partnership with DU	Wetland development (Burr Oak Lake)		\$100,000		\$100,000
IMAP (VPA-HIP		\$12,850			\$12,850
Big Wall Lake	New outlet structure	\$210	\$70		\$280
Olofson Shooting Range	Update facilities at Olofson shooting range		\$152,328		\$152,328
Statewide	Shooting sports range development and equipment	\$3,200	\$89,383		\$92,583
Boone Research Station	Construction of a storage facility for Hunter Education and boat storage	\$71,721	\$71,721		\$143,442
Statewide	Boat Registration costs for purchase of decals	\$29,740	\$29,740		\$59,480
TRUST FUND (LICENSE FEES) EXPENDITURE TOTALS		\$1,014,460	\$3,207,941	\$866,070	\$5,088,471

TOTAL FY11 TRUST FUND CAPITALS	\$3,373,039	\$6,150,287	\$868,770	\$10,392,096
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Budget Projection Model

Before the Trust Fund bureaus begin building their operations and capitals budgets for the year, a comprehensive analysis of the previous year must be made by the division management team and bureau chiefs, and a five-year model based on reliable projections is developed.

Potential federal funding is researched specifically for the coming year and projections are developed for the four years after that. License sale projections are made based on population studies and license sale trends. Leasing trends are discussed, and easement costs and current land values are considered.

Seemingly small changes to the model in the first year of the five-year model can make a tremendous impact after five years. This means the team members must be vigilant in their awareness of potential changes and predictions for the budget. For instance, weather-related events (flooding, harsh icy winters) may cause a drop in license sales of \$250,000 starting in the first year of the budget, which would result in a \$1,250,000 total loss to the Trust Fund at the end of the 5-year modeling period.

After the five-year model is developed, decisions are made as a Trust Fund management team about the total operations and capitals budget figure for that year. The management team works together to determine the next year's budget target for each bureau based on maintaining critical programs, as well as department and bureau strategic plan goals.

Budget - Five Year Projection Model

The five-year model is developed to provide a tool for budget management. This model is checked bi-monthly against actual expenditures. In late December of each year, a comprehensive mid-year analysis of the budget is made to determine if budget adjustments are necessary. That allows the bureaus six months to make any necessary changes prior to the close of the fiscal year.

Due to the volatility and fluctuation of the Trust Fund budget, following the chart is a **detailed explanation of the modeling.**

FISH AND GAME PROTECTION FUND	FY10	FY11	FY12	FY13	FY14	FY15	FY16
TRUST FUND							
REVENUE PROJECTION	ACTUAL	ACTUAL	PROJTN	PROJTN	PROJTN	PROJTN	PROJTN
BALANCE FORWARD	\$8,297,099	\$17,362,884	\$18,241,981	\$14,403,085	\$13,985,328	\$7,562,795	-\$301,506
FEDERAL	\$17,515,889	\$16,063,081	\$20,327,787	\$16,063,081	\$16,063,081	\$16,063,081	
RECREATIONAL REGISTRATIONS	\$6,144,334	\$899,714	\$399,907	\$6,144,334	\$812,672	\$812,673	
LICENSES	\$28,761,637	\$28,377,543	\$28,377,543	\$28,377,543	\$28,377,543	\$28,377,543	
OTHER	\$4,161,761	\$4,278,148	\$4,278,148	\$4,278,148	\$4,278,148	\$4,278,148	
TOTAL TRUST FUND REVENUE	\$64,880,720	\$66,981,370	\$71,625,365	\$69,266,191	\$63,516,772	\$57,094,240	

TRUST FUND							
EXPENDITURES							
OPERATIONS	\$35,832,014	\$38,347,294	\$39,273,154	\$41,258,898	\$42,632,011	\$44,073,780	
CAPITALS	\$11,685,823	\$10,392,095	\$17,949,126	\$14,021,966	\$13,321,966	\$13,321,966	
TOTAL TRUST FUND EXPENDITURE	\$47,517,837	\$48,739,389	\$57,222,280	\$55,280,864	\$55,953,977	\$57,395,746	

Revenue:

- Balance Forward:** The fluctuation of this line item over time is due to the variable amounts of funding in a given year. Important areas to note are the steady rise of inflation costs (lines 6 and 7) while revenue remains fairly steady. By the end of FY15, there will not be enough funds to cash flow the entire year, as evidenced in the negative balance forward in FY16.
- Federal:** The increase in 2012 reflects an increase in federal funding for capital projects, specifically a \$1 million grant for hunting access on private lands; more projects on Corps of Engineers areas instead of using those funds for routine operational maintenance projects; and FEMA funds.
- Boat Registrations:** Boat registration revenue is on a three year cycle. The first year of the cycle is the largest amount (FY10 \$6.1 million). The second year (FY11) is significantly less, and the third year (FY12) is estimated to be about half of year two. In budget planning, boat registration expenditures are spread equally over the years. The effects of this three-year cycle of the boat registrations are evidenced in the Balance Forward line.
- Licenses:** Projections of license sales are made by the Fisheries and Wildlife bureau chiefs based on past history, research, and trend analysis. License sales can be affected by weather and disasters, as experienced in 2008 (a cold, harsh winter, tornados in the spring, and serious flooding throughout most of the summer).
- Other:** this line item remains relatively steady.

The **Total Revenue and Balance Forward** line fluctuates depending on the boat registration fee cycle, weather events affecting license sales or construction projects, or FEMA payments. . The model reflects the effects of inflation on the total over the years, ending in a negative balance by the end of FY15. Last year's model projected a negative balance by the end FY14, but due to an increase in projected revenue and cost savings realized, the fund remains solvent until the end of FY15.

Expenditures

6. **Operations:** The increase in the operations line item between FY 10 and FY 11 reflects unfilled budgeted positions due to the many retirements resulting from the 2010 Statewide Early Retirement Incentive Program, and mandatory cost-of-living salary increases. Many positions remained unfilled by the close of FY10 and the budgeted salaries and support costs were unspent due to the statewide slowdown and freeze on rehiring. There were also unspent funds due to the mandated furloughs for all staff during FY10, and Trust Fund dollars were not returned to the state general fund due to federal and state laws governing the allowable use of these funds. The Trust Fund bureaus refilled the allowable number of vacancies as outlined in the government reorganization legislation and the current business plan, which caused the FY11 operations line to increase. The operations line also reflects the effects of inflation, i.e. cost of living and step salary increases. The salary adjustment figures each year are added to operations the following year, as adjustments are an ongoing cost and compound annually. The FY13-FY15 operations budgets represent status quo spending, meaning no new expenses are added from the previous year; the increases in the operations budgets represent the increased cost of doing business on a yearly basis due to negotiated salary adjustments.
7. **Capitals:** The increase in FY12 to this line represents a higher than anticipated carry over amount due to 1) projects that are under a construction contract and have been initiated but are not yet complete, 2) pending FEMA and bureau capital projects, 3) additional Corps of Engineers revenue supporting capital projects, 4) federal grant funds for hunting access program, and 5) carry over for the purchase of Conservation Officer radio communications upgrades necessary due to the change in the statewide communication network through the Department of Public Safety. Capitals will return to a reduced "normal" budget amount starting in FY13. Capital projects can be delayed by weather and disasters, archeological or threatened and endangered species findings, design and engineering timeframes, obtaining permits, or negotiations with partners and landowners. This line also accommodates variable expenditures that are difficult to budget for, such as the Conservation Officer retirements.

The **Total Expenditures** line increase from FY11 to FY12 due to the above-described increase in federal capitals funding and the cost of inflation. Comparing the Total Revenue and Total Expenditures lines illustrates where rising expenses, due to inflation, crosses over the static revenue line.

TRENDS, CHALLENGES, AND NEEDS

Iowa's citizens are passionate about natural resource based recreational opportunities. Pressure is growing on the Trust Fund and the limited public lands for all kinds of recreation, including ATV and snowmobile trails, water trails for kayakers and canoeists, and wildlife watching events. At the same time, Iowa and the nation have been experiencing a decline in hunting and, to a lesser extent, angling license sales over the last 15 years. These license sales are the bread and butter of the Trust Fund revenue. The DNR is working hard to improve education, mentoring, and marketing in an effort to reverse the downward trend and address changing demands.

Trust Fund revenue is also affected by weather and natural disasters. Vulnerable species, such as pheasant, have seen a decline in population due to harsh winters and flooding, which results in a decline in hunting license sales, or flooding events can cause a decrease in angling license sales.



The fact that license fees are not adjusted for cost of living increases makes the management of the Trust Fund difficult. The legislature determines license fees and, historically, they have been raised every 7-11 years only after lengthy and contentious debate. Over those 7-11 years, employee salaries, price of gas and equipment, cost of land -- in short, the cost of doing business -- increases. As workloads increase, the dollars to do this work decreases.

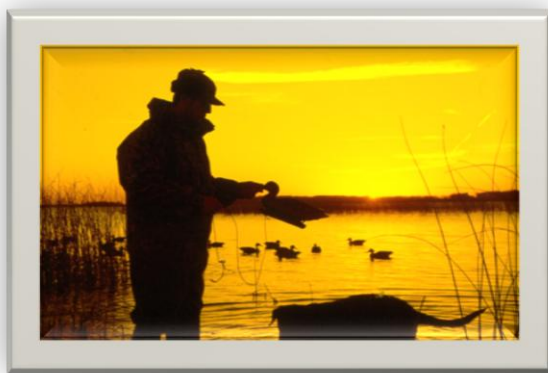
Take all the challenges above and include the variable schedules of when revenue is received (such as the Boat Registration Fees on a three-year cycle or hunting license sales at certain times of the year), it equals a very volatile fund over time. For instance, an \$18,000,000 balance forward in one year does not mean there will not be a negative balance forward four years later, even without an increase in spending for basic programs or capitals.

The DNR works closely with its constituent groups to determine Iowans' priorities and interests in how the Trust Fund is spent. For instance, even though hunting participation has declined over the years, it has become apparent that hunting lands access is an issue. The department recently received a grant to develop a pilot private lands public hunting access program in FY11 and FY12.

In FY11, nearly 400 citizens helped shape the future of hunting, fishing and trapping in Iowa by attending 16 public forums and the state Pheasants Forever Convention. These forums provided a method for the Trust Fund bureaus to gather participants' perceptions, opinions, and feelings about hunting, fishing, and trapping in Iowa. These forums were not intended to gather specific quantitative or statistical data sets, but to start a conversation with the users of Iowa's natural resources on their thoughts and ideas of hunting, fishing, and trapping recreational opportunities today and the direction it should be moving into the future.

Overall, many services provided by the DNR are currently viewed positively by the customer such as a world class fishery, variety of species for hunting and trapping opportunities, importance of habitat both on public and private lands, and youth and disabled education programs. Forum participants, however, expressed high interest in the need to increase or enhance efforts in youth education, public and private lands access, habitat improvement, and increased partnerships. There are many challenges the DNR and its partners have

and will continue to face in order to provide and enhance services for our users. These challenges are the loss of habitat, lack of funding, urban sprawl, poor water quality and recruitment and retention of youth to these recreational pursuits. Additionally discussed by participants is the need for improved communication and marketing from the DNR.



The DNR will continue to assess the information provided by the participants and determine what further data, through surveys, public events, or additional focus groups, is needed in order to assist in decision making.

APPENDIX

Appendix	Document Description
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A	Iowa Constitution – Fish and Game Protection Fund Article VII, Section 9
B	Iowa Code 462A, Water Navigation Regulations (Boat Registration Fee Use) 462A.3, Powers and Duties of Commission 462A.52, Fees Remitted to Commission
C	Boat Registration Fee Report 2010
D	Lake Restoration 2010 Report and 2011 Plan
E	Federal Codes and Rules - Use of Funds
F	Iowa Code 456A, Regulation and Funding 456A.17, Funds Restrictions 456A.27, Federal Wildlife Act 456A.28, Fish Restoration Projects
G	Iowa Code 483A, Fishing and Hunting Licenses, Contraband, and Guns 483A.3 Wildlife Habitat Fee 483A.3A Fish Habitat Development Fund 483A.3B Game Bird Habitat Development Programs
H	Iowa DNR Property Taxes Paid – 2011